The COMMERCIAL and FINANCIAL
CHRONICLE

ESTABLISHED 1839 Reg. U. S. Pat. Office

Volume 194 Number 6092 New York 7, N. Y., Thursday, September 21, 1961 Price 50 Cents a Copy

Editorial AS WE SEE IT

Roger Blough, Chairman of the Board of the United States Steel Corporation, in a lengthy letter to the President of the United States, has succeeded in thoroughly discrediting the economic advisers of the Administration so far as their analysis of the relation between inflation in this country and the steel industry is concerned. So convincingly has the chairman disposed of this matter that we think it well to quote him at some length—to set the record straight if for no other reason. Says Mr. Blough, in part:

"Let me assure you that if you seek the causes of inflation in the United States, past, present or future, you will not find them in the levels of steel prices or steel profits.

"The facts, as developed by the American Iron and Steel Institute, are that from 1940 through 1960, steel prices rose 174% but the industry's hourly employment costs rose 322%, or nearly twice as much. I use 1940 as a starting point rather than 1947 because during the war-affected years of 1940 through 1944, steel wages rose substantially as did the level of wholesale prices; but steel prices increased not at all. Any comparison of these trends which starts with postwar 1947 as a base, therefore, obscures rather than reveals the realities which the steel companies have had to face throughout this entire period of inflation.

"In dollars and cents, wage-earner employment costs per hour worked increased from 90½ cents in 1940 to $3.82 in 1960 and far exceeded any productivity gains that could be achieved even though some $15,000,000,000 was invested in new and more efficient plant and equipment during this period. Shipments of steel per man hour (a measurement which overstates the gain in true productivity) improved by less than 40%, in contrast to the 322% rise in employment cost. Prices at higher competitive levels were the inevitable result.

"Your letter speaks of the uncertainty in the amount of the employment cost increases which will occur at the end of this month, and which (Continued on page 37)

Canada's New Economic Policy And Prospects for Further Growth

By Dr. Ira U. Cobleigh, *Enterprise Economist*

A review of the pace and direction of the Canadian economy with some consideration of its current monetary and unemployment problems. There is also provided solid documentation of the perennially attractive Canadian climate for long-term investment, in the appended list of equities, which have paid cash dividends continuously for as long as 133 years.

The year 1961 will be remembered as one of considerable turbulence in the monetary and fiscal policies of Canada. On June 20, Finance Minister Donald Fleming announced a drastic new policy deliberately based on lower interest rates and a lower dollar. The fact that even government leaders were given no advance notice of the new fiscal and monetary helmsmanship caused a flurry of excitement; and on the following day the Canadian dollar opened at 97¢ in New York. A new era in planned Canadian economy was thus ushered in.

Three Problems

The problems that evoked this policy were threefold. First, there was the growing disquietude about the massive inflow of alien capital. Second, there was concern about the decline of exports and the high volume of imports. And finally, there was an urgent need to provide more jobs at home by stimulating the economy. Unemployment in the first quarter of 1961 had reached the disturbing level of 11%.

Accordingly the program of Finance Minister Fleming spelled out: (1) reduction of interest rates to disattract foreign investors seeking high yields, and encourage internal borrowers; (2) stimulation to industry by cutting the excise tax on automobiles, increasing depreciation allowances by 50% and providing other tax incentives; (3) driving down the price of Canadian currency to increase exports, attract tourists, and provide jobs for the unemployed. Further, the Finance Minister predicted a $650 million deficit for the fiscal year that began April 1, 1960. This is roughly equivalent to an American deficit of around $12 billion.

These were indeed bold measures and in many quarters they were far from popular. In particular, the Governor of the Bank of Canada, Mr. James E. Coyne, an outspoken advocate of a national austerity program, and of high interest rates to reward savers, found the whole new program most distasteful; and a great stir was created when government pressure became so intense as to impel his replacement.

So there it is—a Canadian program predicated on deficit spending, a drifting dollar; a determination to have Canadian investors play a stronger part in providing expansion funds for the economy; and a dedicated effort to increase employment and enlarge productivity.

However this new monetary and fiscal orientation may be viewed by the experts, the stock market seemed to like it and there is some evidence that (Continued on page 24)

Canadian Investment Opportunities Featured Herein

The Security I Like Best...

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

ANDREW BRICHANT
Manager, Statistical Dept., Cantor, Fitzgerald & Co., Beverly Hills, Calif.

Fort Worth Steel and Machinery Company

The deafening clamor and frantic search for "growth" stocks that have characterized this country's investment climate in recent years may well have made us forget the principles of sound accounting that should guide our investment decisions. It is therefore a relief to find from time to time reasonably priced, publicly-owned companies that exhibit those characteristics normally expected of "growth" issues. Fort Worth Steel & Machinery Co., selling at less than 10 times estimated 1961 net of $2.65 a share, is in my opinion such a company. With six months 1961 sales up more than 20% and net income up some 94% over the corresponding 1960 results, the company appears headed for an all-time record year both as to sales and profits, thus reflecting a strong continuation of the sharp and consistent improvement that has characterized the company's fortunes since the assumption of control by a new management group in August, 1958.


Andrew Brichant

Sales of $2,240,704 compared with results of $1,863,580 for the first six months of 1960, while first half net income of $243,892 was almost twice the $125,883 earned a year earlier. Net per share was $1.28 vs. $0.70. Full year share earnings for 1958, 1959 and 1960 were 17¢, $1.34 and $1.82 respectively.

Fort Worth Steel and Machinery Company is a relatively small but highly integrated manufacturer and distributor of a widely-diversified line of mechanical power transmission, materials handling, and oil mill machinery equipment. Its products are sold to a wide variety of customers engaged in numerous industrial fields such as those of grain and food handling and processing, and construction. No single industry accounts for more than 12% of sales.

The distribution of the company's products is effected through sales offices maintained in 12 strategically-located cities throughout the country as well as through independent distributors and dealers. Shipments are made directly from the company's Fort Worth based manufacturing plants to company - operated branch warehouses in its leased fleet of trucks, a procedure which has permitted a significant reduction in freight costs over those previously incurred.

Fort Worth Steel is actively engaged in continually developing new products and redesigning its standard lines. Emphasis of late has been placed on various types of equipment for loading, unloading and distributing free flowing bulk materials. Typical of the company's flexibility in this regard, for example, is its screw elevator line which comes in two basic designs with no fewer than 108 variations. More recently, a good deal of development work has been done on new equipment to be added to the mechanical power transmission and oil mill machinery product lines.

The importance of new products to the company's financial well-being has been clearly demonstrated. In 1960, for example, which was a recession year, sales remained practically unchanged from results of the previous year, yet net income expanded by some 36.4%. This result was directly attributable to increased sales of the newer, high-profit margin line of materials handling equipment that practically offset the decrease in sales of the standard product lines. The substantial rise in sales and the even sharper increase in net income that manifested themselves in the first six months of the current fiscal year confirm the wisdom of management's decision to emphasize new product research and development as the foundation stone of the company's future growth.

The company's impressive after tax margins of 10.88% call for some comments. The impact of new product development was discussed earlier. It may not be without interest to note the following points, however. Between 1958 and 1961, selling, general and administrative expense was reduced from 20.9 to 15.48 as a percentage of net sales. Similarly, cost of goods following the large capital expenditures the company incurred to improve the efficiency of its manufacturing operations, decreased from 76.4 to 62.5 as a percentage of net sales.

The strong current position which it is the company's policy to maintain at all times is specifically intended to provide sound financial backing for its new product development program. At December 31, 1960, current assets of $2,229,082 included cash of $439,-403 and compared with current liabilities of $374,540. Long-term debt consisted solely of a 4½% $302,000 insurance company loan payable $33,000 a year. Stockholders' equity was $2,119,906. The 50 cent annual dividend rate was supplemented by a 3% stock dividend in June 1961.

There are presently issued and outstanding 190,808 shares of common stock of which approximately 53% are closely held. Due to the small capitalization and in the interest of creating a broader market for the shares, management has indicated it is giving consideration to a 2- or 3-for-1 stock split.

Year Ended —December 31—	Net Sales (000,000)	Net Income	Net as % of Sales	Earnings per Share
Six months, 1961	$2.24	$243,892	10.88	$1.28
Six months, 1960	1.86	125,883	6.75	0.70
1960	4.07	325,770	8.00	1.82
1959	4.08	239,875	5.88	1.34
1958	4.15	31,000	0.75	0.17

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)

This Week's Forum Participants and Their Selections

Fort Worth Steel & Machinery Co. —Andrew Brichant, Manager, Statistical Dept., Cantor, Fitzgerald & Co., Beverly Hills, Calif. (Page 2)

Duffy-Mott Co., Inc. — H. Peter Schaub, Jr., Vice - President, Harry P. Schaub, Inc., Newark, N. J. (Page 2)

H. PETER SCHAUB, JR.
Vice-President, Harry P. Schaub, Inc., Member National Association Securities Dealers, Inc., Newark, N. J.

Duffy-Mott Co., Inc.

While the stock of this company, traded in the Over-the-Counter Market, is still unfamiliar to many investors (shares were publicly offered for the first time in 1958), most of its food products are well known to the consumer. Incorporated in 1914 as the successor to a business started in 1842, the company has five groups of products: Mott's Apple Sauce and Apple Juice are among the best known brand names in the country. Cider, jam and vinegar are also sold under Mott's and other labels. Intensive advertising plus high quality have made Mott' apple products the largest selling in the U. S. Apple products account for about 34% of company sales.


H. Peter Schaub, Jr.

Sunsweet Prune Juice, Prune Whip and Ready-to-Serve Prunes are distributed exclusively by Duffy-Mott on a nation-wide basis. Other prune products are sold under private labels. Sunsweet Prune Juice outsells all other brands combined. These products account for roughly 39% of total sales.

Clapp's Baby Foods—oldest name in baby foods—was acquired in 1953 and has substantially diversified its products and increased sales volume. Clapp's ranks among the Big Four in the baby and junior food market. The product line has been expanded from 39 to nearly 100 items including juices, fruits, vegetables, meats and cereals. Baby foods represent about 26% of total sales volume. It is interesting to note that sales of baby food to older people now account for about 10% of this business.

"A.M." and "P.M.", two blended fruit drinks, were introduced in 1959. The rapid consumer acceptance of these products should provide further gains in sales and profits as they are expanded to all of Mott's retail outlets.

Pratt-Low Preserving Corp. of Santa Clara, Calif., a quality packer of fruits and vegetables sold in 49 states, was acquired in June 1960. The company also produces and sells nationally the "Diet Sweet" (sugar-free) and "Diet Pak" (no salt or sugar added) line of dietetic foods. This latest acquisition makes Duffy-Mott truly a national corporation with the opportunity to process and distribute its full product line on the West Coast for the first time. Previously, Duffy-Mott was somewhat limited to retail outlets east of the Rocky Mountains because of freight rates and location of production facilities in the East.

Duffy-Mott has an outstanding record, having produced sales and

Continued on page 17

The Chartered Banks of Canada: An Appraisal

By Chester A. Phillips, Dean, University of Iowa, Iowa City, Iowa

Examination of the now eight chartered Canadian banks points up emulative differences with our banking system. Dean Phillips suggests any comprehensive attempt to improve our banking arrangements take into account what has been accomplished by our northern neighbor. Distinctively meritorious features described note (1) the fiercely intense competition that exists with a branch for every 3,200 people, (2) interest rates competitive with nonbanking financial institutions, and (3) unique ability to weather the most severe banking storms. Made clear is that Canadian commercial banks are banks "of" branches and banks "with" branches. Failure to distinguish sharply the difference between demand and savings deposits is said to be undergoing correction and the excess number of branches is believed to present no problem.

While the banking systems of Canada and the United States have some similar features, the Chartered, that is the commercial, banks of the Dominion are in many respects distinctive and even unique.

Chester A. Phillips

Just as Canadians have drawn on our experience in the development of their time - tested banking arrangements, so we may find it advantageous to respond in a reciprocal manner. An examination of the Canadian banks is timely, as the relatively near-term future promises additional reports of critical surveys of the banking system of the United States.

Freedom of the Chartered banks from failure during the most trying and testing years of modern banking history has evoked just and enduring praise of a banking system that meets most of the specifications of the ideal. Accordingly, extended "documentary" and "field" research underlie an attempt here to round out a circle of objective appraisal of these very stable institutions.

The Organizational Separation of Head Office from Branches Is Conducive to Superior Management, Coordination, and Supervision

The Canadian Chartered banks are distinctive in their form of organization. The head office in each instance is not integrated with a branch or branches as is true in England, Scotland, and the United States. The organizational separation, in accordance with which the head office receives no funds on deposit and makes no loans, facilitates and promotes effective coordination and supervision of branches.

In only one important particular does the head office act as a real banking instrumentality: it invests the funds existing over and above loan requirements. Obviously such investment function should be centralized in order to gain the advantages of unified action.

Each Chartered bank is a "federation" of branches, controlled and supervised by the head office. The eight Canadian Chartered banks[1] are banks **of** branches and not banks **with** branches as is true in the United States and the United Kingdom.

In Canada there is a fruitful division of labor between the head office with its high-level policy making, control and supervision, and the branches, where the banking functions are performed.

Banks **of** branches were operated extensively and successfully in the United States prior to 1866, when a prohibitive tax of 10% on state bank notes became effective.

High Minimum Capital Stock Requirement

A powerful force working toward stability, and toward concentration, is to be found in the minimum capital stock requirement of $1,000,000. Such a requirement gives a measure of assurance of able management and provides substantial protection against early losses to depositors. This requirement prevents a mushrooming of banks numerically. The requirement is obviously favorable to the initial presence of tested banking experience and to the absence of failure through the years.

Even during the period of low prive levels, following the inception of the system in 1890, the minimum capital required stood at $500,000.

Another distinctive feature of the Canadian banks relates to the par value of bank stock.

Uniform Par Value of Bank Stock

Canada has taken an advanced step in requiring each of the Chartered banks to adhere to a uniform $10 per share par value. Uniformity aids fullness and clarity of understanding. Par value of $10 in the realm of Chartered bank stock is now a known quantity. The comparison process involved in investment analysis is thus facilitated.

In the United States extreme variety of par value of bank stock obtains, a circumstance that somewhat dims and beclouds

Continued on page 30

1 The names and head-office locations are: Bank of Montreal, Montreal; the Bank of Nova Scotia, general office Toronto and "head" office, Halifax; the Toronto-Dominion Bank, Toronto; La Bank Provinciale du Canada, Montreal; the Canadian Imperial Bank of Commerce, Montreal; the Royal Bank of Canada, Montreal; Bank Canadiene Nationale, Montreal; the Mercantile Bank of Canada, Montreal.

CONTENTS

CANADIAN INVESTMENT OPPORTUNITIES

Article starting on the cover page, "Canada's New Economic Policy and Prospects for Further Growth," discusses the investment opportunities inherent in Canadian securities and, by way of documenting the views presented, includes a tabulation of the Canadian banks and companies which have paid consecutive cash dividends from 10 to 133 years (Table I, page 24) and from 5 to 10 years (Table II, page 29), along with other data of interest to investors.

Published Twice Weekly
The COMMERCIAL and FINANCIAL CHRONICLE
Reg. U. S. Patent Office
WILLIAM B. DANA COMPANY, Publishers
25 Park Place, New York 7, N. Y.
REctor 2-9570 to 9576
CLAUDE D. SEIBERT, President
WILLIAM DANA SEIBERT, Treasurer
GEORGE J. MORRISSEY, Editor
Thursday, September 21, 1961

Every Thursday (general news and advertising issue) and every Monday (complete statistical issue—market quotation records, corporation news, bank clearings, state and city news, etc.)

Other Office: 135 South La Salle St., Chicago 3, Ill. (Telephone STate 2-0613).

Reentered as second-class matter February 25, 1942, at the post office at New York, N. Y., under the Act of March 8, 1879.

Subscription Rates

Subscriptions in United States, U. S. Possessions, Territories and Members of Pan-American Union, $65.00 per year; in Dominion of Canada, $68.00 per year; Other Countries, $72.00 per year.

Other Publications

Bank and Quotation Record — Monthly, $45.00 per year. (Foreign Postage extra).

Note—On account of the fluctuations in the rate of exchange, remittances for foreign subscriptions and advertisements must be made in New York funds.

Business Activity in 1961 And Cold War Implications

By George W. Coleman,* *Economist, Mercantile Trust Company, St. Louis, Missouri*

Mid-West bank economist is pessimistic about the "cold-war" situation and his careful sector-by-sector analysis of our economy's outlook assesses its impact upon our recovery. Mr. Coleman finds interest rates at present have shown only moderate strength and doubts an upward adjustment will occur until the economy operates closer to capacity. In predicting an upward business trend in the next 12 to 18 months, he surmises a larger proportion of output will be due to government military and economic aid spending—adding further stimulus to sharp recovery from mild 1960-61 recession.

This is a period in world history in which questions are posed; questions for which answers are extremely difficult to find. Wall Street commentators are discussing the question: Are we on the brink of another inflationary boom? Editorial writers are arguing the question: Will we go to war over Berlin? Business analysts are analyzing the question: How great will the recovery be? And even radio disc jockeys are posing musically the question: Does your chewing gum lose its flavor on the bedpost over night? While I intend to discuss the first three of these questions, I will defer the last one to the empirical research techniques of your teen-age children. I would suggest, however, that any conclusion they reach should not be hailed as another proof that American scientific research is still ahead of Russian research.

George W. Coleman

The Berlin crisis has occupied the center of the stage for some time, and we are undoubtedly approaching a period when negotiation will take the place of exchanges of notes and speeches. There is a tendency to believe that negotiations will reduce the danger of war, and, at least, while the negotiations are taking place, fighting is not likely to start. But the negotiations may—and probably will — fail. The failure of negotiation will present an extremely dangerous situation. Settlement of these problems will be difficult, because actually the Berlin crisis is only one aspect of the larger struggle between the East and the West.

Assesses Khrushchev's Demands

An indication of Khrushchev's approaches to world problems can be gained from the interview granted to Walter Lippman early this year. Lippman has pointed out that Khrushchev actually believes that America is being run by Dupont-Rockefeller monopoly capitalism. He apparently is committed to the belief that capitalism is willing to risk war to destroy communism. Out of this attitude logically comes the second point, namely, there are no neutrals. (This is closely akin to an attitude widely attributed to Dulles.) This may explain in part his apparent contempt for the unaligned countries. Lippman also indicated that Khrushchev is "perhaps irretrievably committed" to solve the German question. Finally, Khrushchev expressed the belief that the underdeveloped nations must accept Communism. The Russian scientific successes together with their greater willingness to demonstrate their atomic weapons may scare the uncommitted nations and some less-resolute Western allies into the Russion orbit. While the people of the United States may wish to live in peace but not at any price, this may not be so true of others. Or, to put it in another way, the Russians may believe that the statements of disapproval of atomic testing uttered by the leaders of the world recently may not represent the policy of their nations; the Russians are apparently willing to rely upon fear of destruction to force a less resolute policy. We are thus dealing with a philosophy that does not accept our values and methods.

A Struggle We May Not Win

This attitude is one of intransigence and it is met by an equal intransigence on the part of some of the nations in the West. We are determined not to be driven out of Berlin, nor to yield territory to the Communist group of nations. This in effect means that we are engaged in a struggle not only geographical, but economic, political, cultural, and scientific. And, to be honest, it is one we may not win.

The Berlin struggle is thus one of a number that has characterized the postwar period. Not infrequently, the stress has been so great that military hostilities short of general war have occurred. Following the Berlin blockade, the Korean War tested both the strength and determination of the West. The war between the two groups continued in the ill-defined area of Southeast Asia. The lines between the East and the West have now been quite clearly drawn as a result of these hostilities. The room to maneuver short of war has, as a result, been reduced. The difficulty is that there are few areas left in which the lines are not clearly drawn or in which the antagonists do not face each other directly.

The possibility of hostilities in an area far removed from Berlin should not be ignored. It is in this type of war that military equipment short of nuclear weapons might be needed. This type of reasoning might be the basis of the Administration's renewed interest in strengthening the non-nuclear military capacity of the United States. At least, the Congress has been asked for extensive appropriations for this purpose.

The Soviet Government does, however, encourage as much as possible internal revolution. Those countries which are emerging from a period of colonialism or from economic stagnation are fertile areas for the kind of revolution that the Communists find desirable. Khrushchev, for example, has stated that Iran is likely to fall to the Communists, and the government of that country is now engaged in a tremendous effort to conduct a peaceful revolution without permitting the Communists to come to power.

It must also be recognized that the balance of power between the East and the West may change shortly, and the Russians, always fearful of Germany and also of Europe, may be trying to solidify their position while there is yet time.

Expanded Common Market

The "Common Market," an economically powerful unit in itself, is likely to be further strengthened by the admission of England and probably other nations formerly associated with the European Free Trade Organization. Some of the members of the British Commonwealth may also become affiliated with that group. This will result in the creation of an economic unit of considerable size dominated by England and Germany.

The expanded "Common Market" will be closely associated with the United States, which is also embarking upon an expanded program of economic aid. We have already committed ourselves to give economic aid to many countries in Asia and Africa. The United States Government is also committed to an elaborate, long-range program of economic aid to Latin America. The details of the Punta del Este agreement have been publicized too recently to require review here; but if they are only partially successful, an advance in the Latin American standard of living of a sizable amount will occur. These two movements could result in the creation of a formidable economic power.

Any attempt to appraise these trends should not ignore the fact that Russia itself is embarking upon an elaborate program of economic improvement; the recently-issued manifesto promises a sharp increase in the standard of living of the Russian people in the next two decades. While it is unlikely that the standard of living of the Russian people will be raised to a level comparable to the American, it is possible—indeed probable — that in the next few years the Russian level of living will exceed by a substantial amount that of some of the smaller, less-developed countries.

Continued on page 40

OBSERVATIONS...

BY A. WILFRED MAY

INTERNATIONAL MASS MEETING FOR AID

VIENNA, Sept. 20—Whereas the preliminaries and actual opening of the Finance Ministers' Meetings here featured a proposed $6 billion enlargement of international monetary fund's lending capacity, the give away show has been stolen by the World Bank. This is particularly striking since the fund, not the bank, has always been regarded as soft in monetary dealings.

Meeting with the world's finance ministers at the Hofburg Palace, Eugene Black, President of the World Bank, yesterday severed that institution's long adherence to sound "conventional" lending, instead paying homage to the 50-year interestless and commitment chargeless supersoft lending by its new affiliate, the International Development Association. Concern over recouping principal has shifted to worry about getting enough money loaned despite member countries subscriptions of $903 million, with $106 million loaned to six countries on projects ranging from highways to municipal water systems. Mr. Black said yesterday, "IDA's major problem will be the meagerness of its present resources."

IDA has turned out even softer than the proposed "fantastic" SUNFED which it was intended strategically to forestall and still there are protests, as by Burma and Greece here today, about its "hardness." We surely are in for endless giveaway attrition.

Competitive Giving

The world bank's dive into the soft aid pool no wise lessens the significance of the new pressures for an enlarged monetary fund by whatever method, ranging from the Stamp plan using counterfeit gold certificates, the Jacobsson plan calling from five to six billion dollars from wealthy countries, to the U. S. Treasury bilateral plan broached here. They all embody a bootstrap operation, combined with Gresham's law, via bad money driving out the good through the fund's handing out its hard money for the borrowers' soft currencies. Thus Mr. Jacobsson yesterday proudly cited the past year's wide range of borrowers from Argentina and Brazil to Venezuela. Remembered must be the fund's replenishment of those wabbly currencies with its own hard currencies. Over the fund's life such provisions have totalled 592 million German marks; 342 million French francs; 410 million pounds sterling; and 3,096 million U. S. dollars.

Naturally the fund defenders cite the economic house ordering accompanying the loan grants as a vital quid pro quo, but we recall Mr. Jacobsson's Basle June statement advising abandonment of the U. S. Gold cover. In discussing this with the writer today, he emphasized his recognition of our autonomy rights. Also dubious is Jacobsson's obeisance to "growth" today, sufficient to bring an appreciative smile from attending Walter E. Heller, Chairman of President Kennedy's Council of Economic Advisors.

Treasury Secretary Douglas Dillon's vigorous detailed "explanation" here today defending the "soundness" of the U. S. domestic fiscal policies, including the balanced budget forecast for fiscal 1963, demolishes the prerequisite assumption that the U. S. or any other big power would ever clean house to satisfy IMF director.

The indispensability of Germany's sound domestic philosophy was highlighted today by fund governor Blessing, to wit: "We must submit voluntarily to monetary discipline similar to the automatism of the old gold standard," The same philosophy pertains to France which has been opposing fund's enlargement. "Her recovery irrelevant to IMF," said Finance Minister Wilfred Baumgartner today, adding that "balance of payments disequilibria call first for internal corrective measures. The IMF contribution should only be complementary."

Replying to queries on selling the proposals to the U. S. Congress, American official sources here point to non-appearance of fund subscription commitments as budgetary expense, also that it appears as part of our monetary reserves — both dubious procedures.

Illustrating the progressive aid round robin, Selwyn Lloyd, Britain's Chancellor of the Exchequer, today stated that Britain is not cutting her IDA contribution in view of its recent large withdrawal from IMF. This means latter is really financing the IDA soft giveaways.

Newhard, Cook Co. To Admit Partner

Stephen T. Kelsey, Jr. will acquire a membership in the New York Stock Exchange, and on Sept. 28 will become a partner in Newhard, Cook & Co., members of the New York and Midwest Stock Exchanges. He will make his headquarters at the firm's New York office, 61 Wall Street.

Two With White Inv. Co.

(Special to The Financial Chronicle)

MINNEAPOLIS, Minn.—Howard I. Pagenkopf and Dennis G. Solstad are now with White Investment Company, Inc., 712 Second Avenue, South.

Economic Progress in Canada's Far North

By Edmour Germain

Significant new developments in northeastern Canada reported here should be of interest to investors, steel companies and shipping interests around the world. They hearteningly underscore continuing venture cooperation between the two countries at a time when the newspaper headlines appear to convey an opposite situation of animosity. Noted is the fact that cargo shipping in the Harbor of Churchill in Hudson Bay rose from 93.7 tons in 1946 to 663,083 tons in 1961 shipped mostly in deep-sea ocean-going vessels; that rich iron ore and other deposits are rapidly being opened up; and that the Gulf and Lower St. Lawrence region is one of the fastest growing areas of Canada.

Economic recession and cutbacks in production in Canada — as in the United States—have tended to obscure the substantial progress still being made in pushing onward the economic frontiers of Canada, notably northeastern Canada, toward and into the Arctic regions. Canadian interests are joined by American companies in this enterprise and the joint effort is an example of international cooperation at the economic level which is heartening at a time when so much of the political discussion touching on the relations of the two countries seems to be headed in a different direction.

E. A. R. Germain

The northern regions of Canada are out-of-sight and so, to a great extent, out-of-mind, to Canadians as much as to the Americans south of the border for the reason that these areas are still on the frontier in a very real sense of the word. But the situation is changing gradually as the economic impact of development in those remote sections begins to be felt in other sections of Canada and in the U. S. and elsewhere.

Growing Northern Shipping Routes

The surest sign of all that the Canadian North is rapidly taking its place in the economic life of both nations and the world is the increasing use being made of the northern shipping routes to haul the new products of the North—mostly metals and minerals—out to market. This traffic has already assumed such proportions — though of course its potential is much greater — that vessels are forcing the calendar to handle the growing tonnages being brought to them for shipment. Despite the ice, even winter volume of traffic is growing.

The Harbour of Churchill on the west shore of Hudson Bay took on new importance this summer when the International Nickel Co. of Canada Ltd. started making use of it—from the very beginning of the navigation season in those waters in mid-July—to ship finished nickel from there to its fast-growing European markets which last year took more of its nickel than all its U. S. customers combined.

The nickel being shipped to Europe from Churchill comes from Inco's big new Manitoba mines and refinery just a short distance away. According to preliminary announcements, Inco intends to make extensive use of Churchill to ship nickel to Europe as, of course, shipping from that port provides the shortest possible route to Europe. Exactly what use will be made of Churchill for this purpose will probably depend on how much metal can be shipped to Europe that way quickly enough to meet European demands for it.

The Manitoba mining and refining facilities of the International Nickel Co. at Thompson, Manitoba, built over a four-year period at a cost of $185 million, went into commercial operation only at the beginning of this year and are capable of turning out 75 million pounds of metal annually, bringing the company's total nickel-producing capacity to over 385 million pounds a year.

The Harbour of Churchill, equipped with 2,055 linear feet of wharf, providing four deepsea berths, has seen a spectacular growth of traffic since World War II. Up to this year, most of this traffic has been in European-bound Canadian wheat, though cargo tonnages have been impressive. The grain elevator at Churchill now has a storage capacity of five million bushels, double what it was originally, and has facilities to load three ships at a time.

Grain shipments from Churchill have increased in annual volume from 6.7 million bushels in 1946 to 19.7 million in 1960 and cargo shipments in and out of Churchill rose from 93.744 tons in 1946 to 663,083 tons in 1960. Back in 1946, there were only 22 vessels which made use of the harbor for a total net registered tonnage that year of 40,510 tons and, in 1960, 87 vessels with a total net registered tonnage of 288,905 tons.

Mostly Deepsea Oceangoing Ships

The great bulk, by far, of the vessels moving in and out of Churchill is deepsea oceangoing commercial. In 1960, for example, of the ship arrivals, deepsea or oceangoing commercial vessels numbered 60, accounting for 255,639 of net registered tonnage while coastal or inland commercial vessels, including fishing, numbered 28 for 32,155 of net registered tons.

The demonstrated ability of Hudson Bay to handle commercial shipping—despite its relatively short navigation season extending from the latter part of July to mid-October—of course opens the way for its possible use for other types of cargo, especially the vast amounts of iron ore on the islands and shores in the eastern section.

An example in point is that provided by the extensive iron ore holdings of the Little Long Lac investment group on the Belcher Island and on the shores of the mainland just east of those islands around the Great Whale River in Quebec. Conservatively, these and other iron ore deposits in that section of "La Belle Province" can be said to constitute a "Second Mesabi" in Quebec itself. The "First Mesabi" covering the Quebec-Labrador area between Gagnon and Knob Lake, now already under extensive development, became called that because it seems to be as rich in iron ore as the original Mesabi in the U. S., source of iron ore to the U. S. steel industry for decades.

Ways to Ship Iron Ore

The most economical way to haul the extensive ores of Belcher-Great Whale to market is probably by sea, although a rail haul, overland, via Gagnon or Chibougamau, to market, has been given some study. The geographical proximity of this area to numerous big steel mills of both Canada and the U. S. in the Great Lakes District would tend to enhance its chances for early development.

If the Belcher - Great Whale ores do find their way eventually to the Great Lakes in volume, need for a rail haul would seem essential. An engineering study led to the proposal that such a step be given serious consideration. A line, via Gagnon, would connect with the Cartier Railway to the St. Lawrence River and the line via Chibougamau would connect with the Canadian National Railway's new extension from St. Felicien on the upper Saguaney River.

The Belcher Islands could of course be served by ferry to the Great Whale District and so be tied in directly with production on the mainland. Availability of 100,000 kw of hydro-electric power on the Great Whale could be extended via under-water cable to support output and life on the Belcher Islands, too. An alternative shipping route for Belcher-Great Whale ores to Canadian and inland-U. S. market would be by way of James Bay and to the railhead at Moononee. But, in addition to some other navigation difficulties, James Bay presents the added hazard of being shallow.

The Hudson Bay outlet would be particularly attractive for any Belcher-Great Whale ores bound for Sweden or other European destinations, as it might possibly be also for destinations along the Atlantic Coast and, just possibly, in the Great Lakes area by way of the St. Lawrence Seaway. Belcher-Great Whale may not be high on the time table of iron ore development but is on the timetable nevertheless.

Steel Industry Cannot Ignore Rich Ore Area

The steel industry of the world will — can not in the nature of things—long ignore the presence of so much iron mineralization in one section. Belcher Mining Corp. Ltd., a company in the Little Long Lac Group, has already outlined 375.6 million tons of ore on the islands of a grade of 19.24% magnetic iron, capable of producing 105 million tons of high grade concentrate.

Great Whale Iron Mines Ltd., still another Long Lac company, has an estimated 942 million long tons of crude concentrating ore, capable of yielding 383 million tons of concentrates of 67% iron grade. These tonnages are being augmented by other deposits on other properties just placed under claim in the same general area.

The growing use of northern waters like Hudson Bay for commercial navigation has naturally stimulated the efforts of the Department of Transport at Ottawa not just to try to keep the sea lanes open just a little bit longer for shipping each year by known methods but also to learn more about the climatical and other conditions affecting the routes so as to develop what new methods may be feasible to make the routes more servicable for shipping.

The Department of Transport at Ottawa this past spring thus announced that its northern navigational operations would get under way earlier than usual this year. It said that its large icebreakers, the CMS John A. Macdonald, CMS Labrador and CMS d'Iberville, after carrying out the resupply of Eureka, Alexandra Fiord, Resolute and other points, would then engage in hydrographic and oceanographic work in cooperation with the Department of Mines and Technical Surveys.

In addition, it said, the Labrador, leaving Montreal early in July, would be joined by the N.B. McLean and the Montcalm to open up Hudson Strait, and the shipping lanes into Churchill.

The Department of Transport now has a fleet of 10 heavy icebreakers, as well as eight other vessels classified as "light icebreakers," capable of working in limited conditions of ice. Nine of the heavy icebreakers are deployed in eastern waters, including the St. Lawrence River, Gulf of St. Lawrence, and around the coasts of the Maritimes and Newfoundland.

The other heavy icebreaker serves as a supply and buoy vessel on the Pacific Coast during most of the year and, in summer, makes a trip to the Western Arctic for which it was specially designed. This year, the CMS John A. Macdonald, after bringing supplies to Eureka in the Arctic Archipelago, was instructed to explore areas to the westward of its usual route and attempt to return to Melville Sound and Barrows Strait.

Port of Seven Islands Made a Public Harbour

What Churchill, Manitoba, is to Hudson Bay, the Port of Seven Islands, Quebec, is to the Lower St. Lawrence River. In recognition of the continuing growth of marine traffic there and the corresponding increasing need for control of shipping at that point, the Department of Transport on June 16 last, proclaimed Seven Islands as a public harbor under the Canada Shipping Act.

Figures compiled by the Dominion Bureau of Statistics for 1960 show more than 1,800 vessel arrivals with a total registered tonnage of 4.7 million tons. Cargo loadings and unloadings for the period were nearly 12 million tons, making the harbor one of the busiest on the St. Lawrence River. While a large part of the cargo tonnage was connected with the handling of iron ore produced in the Quebec-Labrador region, a very large percentage of the traffic was made up of smaller coastal and ferry vessels calling at the public wharves.

The iron ore coming out of Seven Islands to date has consisted entirely of the output of the Schefferville mines of the Iron Ore Co. of Canada, a consortium of Canadian and U. S. steel and iron ore interests. It will not be many years, however, before iron ore is shipped out of the Harbour of Seven Islands from the big Carol Lake mines of the Iron Ore Co. of Canada now under development in Labrador and from the mines of other new companies now preparing to go into production.

Ore From Cartier Mines

The first of these other companies which will be shipping

Continued on page 18

TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

The state and municipal bond market appears significantly better than it did even a week ago. The visible supply of new issues has been substantially reduced, the inventory situation is more favorable than it has been in months, prices and yields remain relatively generous for all investors concerned, and demand appears more general than has prevailed for some little time.

Moreover, it is reported that the Treasury's advance refunding has attracted a considerable institutional interest and this news has indirectly helped in the recent receptivity of the general bond market, even though the Treasury issues themselves have been quiet and at times irregular. The fact of continuing Federal interest in these markets is at least bolstering. Corporate bond issues have been generally firm throughout the week, partly reflecting new issues scarcity and a lighter calendar than has prevailed for some months.

Lower Yields Loom

The pricing of new state and municipal issues on Monday and Tuesday of this week would seem to portend a higher current market than is reflected by our Index. The *Commercial and Financial Chronicle's* 20-year high grade bond yield Index averages out at 3.40% as of Sept. 20. Last week the yield was 3.407%. The interim, until Tuesday's bidding spree, was unusually quiet even for this time of year. The seemingly well placed $100,000,000 State of California issue which interested so many investors last week apparently threw some large investors off balance.

For the present at least, the market no longer favors the buyer in the broad sense that it has; dealers have abruptly become more competitive and pricing has tended toward the academic and in some disregard of real buying interest.

Business and Investing

For months many of our economists and our investment services have been predicting a more vigorous economy with its attendant upturn in interest rates. These experts continue to foretell this development but the target date is progressively and indefinitely set back. We venture no predictions and we sincerely hope that interest rates do proceed higher if only for the general good of the economy, to put it succinctly.

However, we gain the impression from merely observing Administration pronouncements and official statements as well as reading corporate reports, financial and otherwise, that the much needed healthy economic advance is not immediately at hand and that a continuing active Federal policy toward creating free reserves and easy money seems likely to persist for some time.

The banks are immediately acute to this situation by the very nature of their activities. The dealer banks particularly have been persistent in their aggressive municipal and state bond activities and are at present strong competitors for new issues. They pay little apparent heed to any near term upturn in bond interest rates. Despite the continuing economic recovery, a business boom of credit consuming proportions seems not imminent.

Large Issues on Horizon

The new issue calendar for the next month totals approximately $360,000,000. A week ago the total scheduled was $460,000,000. While the calendar varies widely from time to time, the present calendar is light for this normally busy time of year. At present the largest scheduled issue is $100,000,000 State of Illinois, general obligation (1962-1986) bonds up for bidding on Sept. 27. There will be at least two bidding groups interested.

In the unscheduled negotiated issue category, $160,000,000 Florida Turnpike bonds may come to market in the near future. Of this amount, about $64,000,000 will be used to refund the presently outstanding 3¼% issue while the remainder will finance the proposed northern extension. The underwriters include Dillon, Read & Co., Glore, Forgan & Co., White, Weld & Co., Wertheim & Co., Tripp & Co., Leedy, Wheeler & Alleman, Childress & Co. and Pierce, Carrison & Wulbern, Inc.

The street inventory situation is relatively very favorable, it would seem. As derived from the *Blue List*, the volume of state and municipal offerings advertised, as of Sept. 20, totals about $352,552,500. This is about $12,000,000 below last week's figure, although in the meantime a great volume of new issue business has transpired. This *Blue List* total is lower than it has been since February. In view of these circumstances, there should be little wonder that dealers are presently competing more vigorously for attractive new issues.

Regardless of the current competition for tax-exempts, investors and dealers are not genuinely bullish on the state and municipal bond market for fundamental reasons. Actually all involved realize that the situation is extremely artificial and based largely on the inflationary aspects of the whole economy. These have temporarily exhausted the market potential of most equities and at present there seems nowhere to go but to tax-exempts.

Recent Awards

The new issue calendar was heavy again this week, with several sizable issues up for competitive bidding. On Thursday, Sept. 14, Essex County, New Jersey awarded $4,140,000 general obligation (1962-1976) bonds in extremely close bidding to the syndicate headed by the Fidelity Union Trust Company and the Harris Trust and Savings Bank, and including Wertheim & Co., The First National Bank of Oregon, Bacon, Stevenson & Co., Charles E. Weigold & Co., and several others. The bonds, which were priced to yield from 1.60% to 3.20% for a 3% coupon, received excellent investor reception and today only $40,000 bonds remain in account.

On Tuesday, Sept. 19, $35,500,000 State of Oklahoma, general obligation (1964-1986) bonds came to market. With four accounts bidding, the issue was won by the group managed jointly by The Chase Manhattan Bank, the Harris Trust and Savings Bank and the Morgan Guaranty Trust Company of New York. Included among the other major underwriters were the National Bank of Tulsa, The First National Bank and Trust Company of Oklahoma City, Drexel & Co., Bear, Stearns & Co. and The First National Bank of Oregon. This financing, the state's first in six years, will about double its outstanding in-

Continued on page 16

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978–1980	3.85%	3.70%
Connecticut (State)	3¾%	1980–1982	3.40%	3.30%
New Jersey Highway Auth., Gtd.	3%	1978–1980	3.45%	3.30%
New York (State)	3%	1978–1979	3.35%	3.25%
Pennsylvania (State)	3⅜%	1974–1975	3.20%	3.10%
Vermont (State)	3⅛%	1978–1979	3.35%	3.20%
New Housing Auth. (N. Y., N. Y.)	3½%	1977–1980	3.40%	3.25%
Los Angeles, Calif.	3¾%	1978–1980	3.85%	3.70%
Baltimore, Md.	3¼%	1980	3.50%	3.40%
Cincinnati, Ohio	3½%	1980	3.45%	3.35%
New Orleans, La.	3¼%	1979	3.65%	3.55%
Chicago, Ill.	3¼%	1977	3.65%	3.55%
New York City, N. Y.	3%	1980	3.60%	3.55%

September 20, 1961 Index=3.40% Even

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

Sept. 21 (Thursday)			
Harris Co., Houston Nav. Dist.,Tex.	9,000,000	1962-1992	11:00 a.m.
Norwalk, Conn.	3,080,000	1962-1981	Noon
Rutland, Va.	1,110,000	1962-1981	11:00 a.m.
Topeka, Kansas	2,517,000	1962-1972	11:00 a.m.
Wayne County, Livonia Drainage District, Mich.	1,210,000	1963-1981	11:00 a.m.
Wayne Co. Metro, Wtr. Dis., Mich.	1,650,000	1963-2001	11:00 a.m.
Sept. 23 (Saturday)			
University of Kansas	1,300,000	1964-2001	10:00 a.m.
Sept. 25 (Monday)			
Bi-State Development Agency, Ill.	5,900,000	1963-1990	2:00 p.m.
Chaffey Unif. High Sch. Dist., Cal.	2,000,000	1962-1981	11:00 a.m.
Fort Myers, Fla.	1,000,000	1962-1981	7:30 p.m.
Sept. 26 (Tuesday)			
Cumberland County, N. C.	2,000,000	1963-1981	11:00 a.m.
Detroit, Mich.	22,250,000	1962-1996	10:30 a.m.
Detroit City Sch. Dist., Mich.	10,000,000	1963-1988	10:30 a.m.
Georgia State S. Bldg. Auth., Ga.	31,452,000	1963-1983	Noon
Independence, Mo.	5,000,000	1962-1986	11:00 a.m.
Lancaster, Ohio	1,100,000	1962-1976	1:00 p.m.
New Castle, Dela.	3,850,000	1962-1996	11:00 a.m.
Pasadena, Calif.	9,000,000	1962-1981	10:00 a.m.
Sept. 27 (Wednesday)			
Davidson County, Tenn.	4,000,000	1963-1987	Noon
Henrico County, Brookland Sanitary District B., Va.	3,000,000	1962-1935	Noon
Henrico County, Tuckahoe Sanitary District A, Va.	2,950,000	1962-1935	Noon
Illinois (State of)	100,000,000	1962-1986	11:00 a.m.
Rochester Comm. Sch. Dist., Mich.	1,500,000	1962-1987	8:00 p.m.
Spring Branch Ind. Sch. Dist., Tex.	3,553,000	1962-1992	8:00 p.m.
Sept. 28 (Thursday)			
Indianapolis, Ind.	2,200,000	1963-1982	1:30 p.m.
St. Francis, Wis.	1,000,000	1963-1981	3:30 p.m.
Webster, Penfield etc., CSD 1, N.Y.	2,865,000	1961-1989	2:00 p.m.
Sept. 29 (Friday)			
Minneapolis, Minnesota	3,400,000	1989	4:30 p.m.
Oct. 2 (Monday)			
Birmingham, Mich.	1,500,000	1962-1981	8:00 p.m.
Kenosha, Wis.	4,690,000	1962-1981	Noon
Oct. 3 (Tuesday)			
Cook County Comm. HSD 231, Ill.	1,285,000	--------	--------
Guilford County, N. C.	6,000,000	1964-1986	11:00 a.m.
Newport News, Va.	3,000,000	1967-1991	2:00 p.m.
Wisconsin Rapids, Wis.	1,286,000	1962-1973	11:00 a.m.
Oct. 4 (Wednesday)			
Indianapolis, Ind.	2,500,000	1963-1987	Noon
Wilmington, Mass.	1,140,000	1962-1980	11:00 a.m.
Oct. 5 (Thursday)			
Decatur, Ill.	1,485,000	1963-1980	10:30 a.m.
New Haven, Conn.	10,208,000	1963-1981	11:00 a.m.
Oct. 7 (Saturday)			
Oklahoma State Univ. of Agric. & Applied Science, Okla.	2,933,000	1964-2001	9:00 a.m.
Oct. 9 (Monday)			
Eastern Montana College, Mont.	2,314,000	1963-2000	10:00 a.m.
Edina, Minn.	2,200,000	1963-1973	7:30 p.m.
Franklin U. H. S. D. No. 2, Wis.	1,100,000	1963-1981	8:00 p.m.
Oct. 10 (Tuesday)			
Knoxville, Tenn.	1,000,000	1964-1981	10:00 a.m.
Los Angeles School Dist., Calif.	35,000,000	1962-1986	9:00 a.m.
Oct. 11 (Wednesday)			
Port of Tacoma, Wash.	2,400,000	1963-1991	2:00 p.m.
Oct. 16 (Monday)			
Dallas, Texas	9,600,000	1962-1931	1:45 p.m.
Oct. 17 (Tuesday)			
Wayne County, Mich.	16,815,000	1966-2001	--------
Oct. 19 (Thursday)			
University of California	2,843,000	1963-1985	Noon
Oct. 24 (Tuesday)			
Portland, Ore.	3,500,000	1964-1983	--------
Nov. 1 (Wednesday)			
Amarillo, Texas	4,000,000	--------	--------
Nov. 14 (Tuesday)			
Los Angeles Flood Control D., Cal.	15,000,000	--------	--------
Nov. 16 (Thursday)			
Omaha Public Power Dist., Neb.	17,000,000	1963-1991	10:00 a.m.

This announcement is under no circumstances to be construed as an offering of these bonds for sale or as a solicitation of an offer to buy any of these bonds, and is published in any state on behalf of only such of the underwriters, including the undersigned, as may legally offer these bonds in such state. The offer of these bonds is made only by means of the Official Statement.

NEW ISSUE

$25,893,000
State Public School Building Authority (Commonwealth of Pennsylvania)
School Lease Revenue Bonds, Series F

Dated October 1, 1961 — Due November 1, 1962-2000 inclusive, as shown below

The Bonds are subject to redemption prior to maturity at the option of the Authority as a whole or in part, in the inverse order of their maturities, on November 1, 1971, or on any date thereafter, or pursuant to the requirements of the Indenture, as supplemented, in part in the inverse order of their maturities on November 1, 1966, or on any date thereafter on 30 days' prior notice, in accordance with the following schedule of prices and dates: at 103 beginning on November 1, 1966 and thereafter to and including October 31, 1969; at 102½ thereafter to and including October 31, 1972; at 102 thereafter to and including October 31, 1975; at 101½ thereafter to and including October 31, 1977; at 101 thereafter to and including October 31, 1979; at 100½ thereafter to and including October 31, 1981; and at 100 thereafter; plus, in each case, accrued interest to the date fixed for redemption.

Principal and interest (May 1, 1962 and November 1, 1962 and semi-annually thereafter on May 1 and November 1 of each year) payable at Mellon National Bank and Trust Company, Pittsburgh, Pennsylvania, or, at the option of the holder at Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, or at Morgan Guaranty Trust Company of New York, New York City. Coupon Bonds in the denomination of $1,000, registrable as to principal only or registered Bonds without coupons in the denomination of $1,000 and any integral multiple thereof, interchangeable.

Interest exempt, in the opinion of counsel, from Federal Income Taxes under present statutes and decisions.

The State Public School Building Authority Act of 1947, as amended, provides that the Bonds, their transfer and the income therefrom (including any profits made on the sale thereof), are exempt from taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania.

The Act provides that the Bonds are authorized investments for fiduciaries within the Commonwealth of Pennsylvania.

The Bonds are direct and general obligations of the Authority and all the Bonds issued and to be issued will be secured by the full faith and credit of the Authority, and by the pledge, to the extent provided in the Indenture, as supplemented, of all revenues, rentals and receipts of the Authority, including all rentals payable by School Districts of the Commonwealth of Pennsylvania pursuant to Agreements and Leases and contracts to lease and leases, as said terms are defined in the Indenture, in respect of Projects, as said term is defined in the Indenture, and all right, title and interest of the Authority in and to said Agreements and Leases and contracts to lease and leases with respect to said Projects, including any amounts payable to the Authority by the Superintendent of Public Instruction of the Commonwealth of Pennsylvania (or person holding similar office) by reason of the failure of any School District to provide for the payment of any rental or rentals to the Authority under said Agreements and Leases and contracts to lease and leases.

Neither the credit nor the taxing power of the Commonwealth of Pennsylvania or any of its School Districts is pledged for the payment of the principal of, or interest on the Bonds; nor shall the Bonds be deemed to be obligations of the Commonwealth or of any of its School Districts; nor shall the Commonwealth or any of its School Districts be liable for the payment of principal or interest on the Bonds.

The Bonds are offered when, as and if issued and received by us and subject to an unqualified approving legal opinion by Messrs. Burgwin, Ruffin, Perry & Pohl, Pittsburgh, Pennsylvania. It is expected that delivery of the Bonds in definitive form will be made on or about October 25, 1961.

Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)
$465,000	6%	1962	1.70%	$545,000	3.40	1975	100	$ 865,000	3¾%	1988	100
240,000	6	1963	2.00	565,000	3.40	1976	3.45%	905,000	3¾	1989	3.80%
363,000	6	1964	2.20	585,000	3½	1977	100	935,000	3¾	1990	3.80
375,000	6	1965	2.40	610,000	3½	1978	100	970,000	3¾	1991	3.80
385,000	6	1966	2.60	630,000	3½	1979	3.55	995,000	3¾	1992	3.85
410,000	6	1967	2.80	655,000	3.60	1980	100	1,035,000	3¾	1993	3.85
415,000	6	1968	2.90	675,000	3.60	1981	3.65	1,080,000	3¾	1994	3.85
435,000	6	1969	3.00	705,000	3.60	1982	3.65	1,125,000	3¾	1995	3.85
455,000	6	1970	3.10	730,000	3.70	1983	100	1,170,000	3¾	1996	3.85
475,000	6	1971	3.20	755,000	3.70	1984	100	1,210,000	3¾	1997	3.85
480,000	5½	1972	3.30	780,000	3¾	1985	100	385,000	3	1998	4.00
500,000	3.30	1973	100	805,000	3¾	1986	100	400,000	1/10	1999	4.60
525,000	3.30	1974	3.35	840,000	3¾	1987	100	415,000	1/10	2000	4.60

(accrued interest to be added)

For information relating to the State Public School Building Authority and to these bonds, reference is made to the Official Statement of the State Public School Building Authority which should be read prior to any purchase of these bonds. The Official Statement may be obtained in any state from only such of the underwriters, including the undersigned, as may legally offer these bonds in such state.

DREXEL & CO. — HARRIMAN RIPLEY & CO. INCORPORATED — THE FIRST BOSTON CORPORATION — KIDDER, PEABODY & CO.

SMITH, BARNEY & CO. — BLYTH & CO., INC. — LEHMAN BROTHERS — EQUITABLE SECURITIES CORPORATION

ALEX. BROWN & SONS — A. C. ALLYN AND COMPANY INCORPORATED — CARL M. LOEB, RHOADES & CO. — STROUD & COMPANY INCORPORATED

F. S. MOSELEY & CO. — YARNALL, BIDDLE & CO. — HEMPHILL, NOYES & CO. — DOMINICK & DOMINICK

SHEARSON, HAMMILL & CO. — REYNOLDS & CO. — BACON, WHIPPLE & CO. — HALLGARTEN & CO. — A. G. BECKER & CO. INCORPORATED

AMERICAN SECURITIES CORPORATION — BARR BROTHERS & CO. — FIRST OF MICHIGAN CORPORATION

ROOSEVELT & CROSS INCORPORATED — ERNST & COMPANY — SCHAFFER, NECKER & CO. — BRAUN, BOSWORTH & CO. INCORPORATED — BACON, STEVENSON & CO.

BUTCHER & SHERRERD — SCHMIDT, ROBERTS & PARKE — GRANBERY, MARACHE & CO. — J. A. HOGLE & CO.

COOLEY & COMPANY — KING, QUIRK & CO. INCORPORATED — ROBERT GARRETT & SONS — ESTABROOK & CO. — NEWBURGER, LOEB & CO.

September 20, 1961.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Aluminum Industry — Review—David L. Babson & Company, Inc., 89 Broad Street, Boston 9, Mass.

Automobile Industry — Review—Hemphill, Noyes & Co., 8 Hanover Street, New York 4, N. Y.

Automobile Stocks — Bulletin—Walston & Co. Inc., 74 Wall St., New York 5, N. Y.

Bank Stocks—Quarterly review—M. A. Schapiro & Co., Inc., 1 Chase Manhattan Plaza, New York 5, N. H.

Barclay's Bank Review — Quarterly review containing articles on Finance of Exports, Boom in Tin, etc.—Barclay's Bank, Intelligence Department, 54 Lombard Street, London, E. C. 3, England.

Bond Market — Review — New York Hanseatic Corporation, 120 Broadway, New York 5, N. Y.

Canadian Business Guide—Booklet on taxes and current topics that affect interests in Canada—Business Development Dept., Bank of Novia Scotia, 44 King St., West, Toronto, Ont., Canada.

Canadian Stock Warrants — Bulletin on 34 Canadian listed warrants—Draper Dobie & Company Ltd., 25 Adelaide Street, West, Toronto, Ont., Canada.

Cyclicals for Recovery—Report—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

Distilling Industry—Review with particular reference to **James B. Beam Distilling Co.** and **National Distillers and Chemical Corp.**—Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis.

Eastern Railroads — Survey with special comment on **Pennsylvania Railroad** and **New York Central**—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y.

Economic Indicators — Economic information, with brief comments, on Hawaii—First National Bank of Hawaii, Honolulu 1, Hawaii.

Horizon Land Corp. — Report — Ross, Lyon & Co., Inc., 41 East 42nd St., New York 17, N. Y.

Japanese Electronics Industry — Analysis—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Market — Review —Yamaichi Securities Co. of New York Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of Japanese **Household Electrical Appliances, Oxygen Producers**, and **Yokogawa Electric Works.**

Japanese Market—Survey—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Japanese Stocks — Handbook for investment, containing 20 essential points for stock traders and investors — The Nikko Securities Co., Ltd., Tokyo, Japan — New York office 25 Broad Street, New York 4, N. Y.

Mechanical Merchants — Discussion of vending industry — The Exchange Magazine, September, 1961 issue—The Exchange Magazine, 11 Wall Street, New York 5, N. Y.—20¢ per copy ($1.50 per year.) Also in the same issue is a discussion of **Discounting Retailers** and data on **Fram Corp., Leesona Corp.** and **Mesabi Iron Co.**

Oil Prospects and Profits in the Eastern Hemisphere — Edward Symonds—Petroleum Department, First National City Bank, 399 Park Avenue, New York 22, N. Y.

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Over-The-Counter Stocks — Review of 23 issues which appear attractive—George, O'Neill & Co., Inc., 30 Broad Street, New York 4, N. Y.

Railroads — Review — Arthur Wiesenberger & Co., 61 Broadway, New York 6, N. Y. Also available are data on **Atlas General Industries, Financial General Corp., Great American Life Underwriters, Minerals & Chemicals Philipp Corp.** and **Standard Financial Corp.**

Saline Water Conversion—Review —Van Alstyne, Noel & Co., 40 Wall Street, New York 5, N. Y.

Steel Industry — Memorandum with particular reference to **Lone Star Steel** — Divine & Fishman, Inc., 134 South La Salle Street, Chicago 3, Ill.

Vending Industry—Memorandum with particular reference to **Automatic Canteen, Automatic Retailers, Interstate Vending** and **Vendo** — A. G. Becker & Co., Incorporated, 120 South La Salle Street, Chicago 3, Ill.

* * *

Amphenol Borg Electronics Corp. — Review — Vanden Broeck, Lieber & Co., 125 Maiden Lane, New York 38, N. Y. Also available are reviews of **Harris Intertype Co.** and **Jewel Tea Co.**

Arkansas Valley Industries — Memorandum—Keon & Company, Inc., 618 South Spring Street, Los Angeles 14, Calif.

Atlantic Coast Line Railroad — Chart analysis — Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y.

Bayuk Cigars—Memorandum—J. W. Sparks & Co., Western Saving Fund Building, Philadelphia 7, Pa.

Burroughs Corp. — Analysis — Bacon, Stevenson & Co., 39 Broadway, New York 6, N. Y.

Canadian Oil Companies Ltd.—Survey—Equitable Brokers Limited, 60 Yonge Street, Toronto 1, Ont., Canada. Also available are surveys of **Canadian Imperial Bank of Commerce** and **Labrador Mining & Exploration Co.**

Chrysler Corporation—Analysis—W. E. Hutton & Co., 14 Wall Street, New York 5, N. Y. Also available is an analysis of **L. M. Ericsson Telephone Co.**

Clark Oil & Refining—Memorandum—Loewi & Co. Incorporated, 225 East Mason Street, Milwaukee 2, Wis.

Cooper Bessemer—Analysis—Butcher & Sherrerd, 1500 Walnut Street, Philadelphia 2, Pa. Also available are reviews of the **Cigar Industry** and **Department Stores** and a list of current recommendations.

Electronic Aids Inc.—Analysis—R. Topik & Co. Inc., 295 Madison Avenue, New York 17, N. Y.

Emmer Glass—Memorandum—Clayton Securities Corporation, 79 Milk Street, Boston 9, Mass. Also available is a memorandum on **Astrex Inc.**

First Republic Corporation—Memorandum—Morris Cohon & Co., 19 Rector Street, New York 6, N. Y.

Fitchburg Paper Co.—Discussion in current issue of "Investors Reader"—Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine Street, New York 5, N. Y. Also in the same issue are discussions on **Truax-Traer, Emerson Electric Manufacturing Co., Electroluminescence, Commercial Solvents Corp., De Soto Chemical Coatings, Foster Wheeler Corp., Sprague Electric Co., Engelhard Industries, Inc., Jewel Tea,** and **Helene Curtis Industries.**

Food Giant Markets Inc.—Memorandum—Stewart, Eubanks, Meyerson & Co., 216 Montgomery Street, San Francisco 4, Calif.

Gatineau Power Company—Analysis—Royal Securities Corporation Ltd., 244 St. James Street, West, Montreal 1, Que., Canada. Also available is an analysis of **Page Hersey Tubes, Ltd.**

General Electric—Bulletin—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y.

Hallicrafters Co.—Report—William R. Staats & Co., 640 South Spring Street, Los Angeles 14, Calif.

Hamilton Management Corporation—Study—Blalack & Wells Incorporated, 2477 Huntington Drive, San Marino, Calif.

Harvey Aluminum—Memorandum —Morgan & Co., 634 South Spring Street, Los Angeles 14, Calif.

Hidden Splendor Mining Company — Report — Potter Investment Company, 26 West Broadway, Salt Lake City 1, Utah.

Howard Johnson Company—Analysis—John C. Legg & Company, 22 Light Street, Baltimore 3, Md.

Ionics—Discussion—Stearns & Co., 80 Pine Street, New York 5, N. Y.

KDI Corporation—Report R. A. Holman & Co., Inc., 54 Wall Street, New York 5, N. Y.

Knapp & Tubbs—Memorandum—Roman & Johnson, 15 Southeast Third Avenue, Ft. Lauderdale, Fla.

Longines Wittnauer Watch Co.—Memorandum — Dempsey-Tegeler & Co., 210 West Seventh Street, Los Angeles 14, Calif.

Lorillard—Review—Hardy & Co., 30 Broad Street, New York 4, N. Y.

Marquette Cement Manufacturing Company—Analysis—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

McGraw-Hill Publishing Co.—Report—Newburger & Company, 1401 Walnut Street, Philadelphia 2, Pa.

McKesson & Robbins—Analysis—Halle & Stieglitz, 52 Wall Street, New York 5, N. Y.

McKesson & Robbins, Inc.—Analysis—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are data on **Polaroid Corporation, Manufacturers Hanover Trust Company, Celanese Corp. of America, Middle South Utilities, International Silver Company** and a memorandum on **Growth Capital Inc.**

McKesson & Robbins—Memorandum—F. P. Ristine & Co., 123 South Broad Street, Philadelphia 9, Pa.

Metal & Thermit—Memorandum —Herzfeld & Stern, 30 Broad Street, New York 4, N. Y.

Midland Capital Corporation—Review—Doolittle & Co., Main & Pine Streets, Lockport, N. Y. Also available is a review of **Gorham Corporation.**

Mobile Video Tapes Inc.—Bulletin—Taylor, Bergen, Lynn & Lee, 1830 West Olympic Boulevard, Los Angeles 6, Calif.

Morton Foods, Inc. — Analysis — Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Tex.

National Airlines Inc. — Analysis —John H. Lewis & Co., 63 Wall Street, New York 5, N. Y. Also available is a report on **Atlantic Coast Line Railroad Company.**

Penick & Ford Ltd.—Analysis—Green, Ellis & Anderson, 61 Broadway, New York 6, N. Y.

Pittsburgh Plate Glass Company —Report—Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga. Also available is a report on **Spencer Chemical Co.**

L. F. Popell Co. Inc.—Report—G. Everett Parks & Co., Inc., 52 Broadway, New York 4, N. Y.

Pubco Petroleum Corp.—Analysis —Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available are memoranda on **Burroughs Corp., Chase Manhattan Bank, Diamond National** and **National Steel.**

Riegel Paper—Review—Shields & Company, 44 Wall Street, New York 5, N. Y.

Schenley Industries—Data—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y. Also available are data on **General Plywood.**

Scott, Foresman & Co.—Memorandum—Schwabacher & Co., 100 Montgomery Street, San Francisco 4, Calif.

Shawinigan Water & Power—Bulletin—Laird, Bissell & Meeds, 44 Whitney Avenue, New Haven 6, Conn.

Stanley Warner Corporation—Analysis—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y. Also available is an analysis of **Warner Company.**

Still-Man Manufacturing—Memorandum—D. C. Whitsel & Co., 29 South La Salle Street, Chicago 3, Illinois.

Tonka Toys Inc.—Analysis—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y.

United American Life Insurance Co.—Report—Charles A. Taggart & Co., 1516 Locust Street, Philadelphia 2, Pa.

U. S. Freight Company—Analysis —Hornblowyer & Weeks, 40 Wall Street, New York 5, N. Y. Also available are data on **United Carbon, Petroleum Corp. of America, Firestone Tire, Kelsey Hayes, Chrysler, Divco Wayne** and **Pennsylvania.**

United States Paper Industry — Review—Carl M. Loeb, Rhoades & Co. 42 Wall Street, New York 5, N. Y. Also available are reviews of **Mead Corporation, Philips Lamp, Tennessee Corporation, Dominion Tar & Chemical Co., Kaiser Industries Corp.,** and **Fairmont Foods Company.**

Warner Electric Brake & Clutch—Analysis—Blunt Ellis & Simmons, 111 West Monroe Street, Chicago 3, Ill.

Westgate California Corp.—Memorandum—Peters, Writer & Christensen Inc., 724 17th Street, Denver 2, Colo.

Westinghouse Air Brake Co.—Memorandum—Moore, Leonard & Lynch, Union Trust Building, Pittsburgh 19, Pa.

Whitehouse Plastics Corporation—Analysis—Southern Brokerage Company, Tower Petroleum Building, Dallas, Texas.

Our Reporter on

GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

There appears to be very little disagreement with the premise that the future course of the money and capital markets will be determined by the trend of the economy. A strong upward movement in the business pattern with the practical absence of excesses will mean relatively little if any change in the existing monetary program. On the other hand, a resurgence of the boom and bust psychology because of inflation fears will bring immediate changes in monetary policy, with restrictions most likely to be expected. These two schools of thought have their own followers, with the indications now that the boom or super-boom advocates are losing some of their steam. If there is to be a normal kind of recovery in the economy, it is evident that there is not going to be very much of a change in the money policy in the foreseeable future.

Bond Exchange Favorable

The successful "Forward Refunding" operation of the Treasury in extending the maturity of an important amount of the 2½s of 1970 and 1971 has been taken pretty much in stride by the government bond market. The indications that holders of about 50% of the refundable bonds accepted the offer is viewed as a most favorable showing.

It is evident that the 1% more in income that was available to the owners of the 1970 and 1971 issues had sufficient attraction to bring about exchanges from these 2½s into the longer term government 3½s. In addition, those who converted their issues in past "Advance Refunding" operations have done pretty well, based on what has taken place in the obligations which were received in place of the then refundable securities.

The floating supply of the 3½% government bonds will be increased by this refunding in a modest way, but it is believed that these surplus bonds will be digested fairly readily because there is attraction in these securities at current levels for certain institutional buyers.

Continued Monetary Ease in Prospect

The Federal Reserve monetary policy continues to be one of ease, as it has been so far in 1961. Even though there is considerable talk about the boom which is coming, the powers that be have shown no disposition to move in the direction which would bring with it less credit and less ease in money rates. A policy of "neutrality," which not a few money market observers have been predicting will replace the present one of ease, has certainly not yet made even a flighting appearance on the horizon. The excess reserves or free reserves remain in the area they have been right along, and purchases of government obligations for credit purposes as well as to influence the rate for borrowings are being made as they have been during most of this year. So far as the records are concerned, there has been no noticeable change in the monetary policies of the Federal Reserve Board up to the present.

The demand for funds for the fall and winter will, according to most money market specialists, result in loans going up, but this need for credit to meet the requirements of the country will not result in any appreciable tightening of money rates or lessening of credit. The monetary authorities will continue to make funds available so that the recovery which is now underway will not be retarded because of the lack of credit or due to increasing interest rates. With this being the case and many money market specialists think it will be, the money and capital markets should remain about as they have been unless there is a very sudden change in the economic climate and the boom becomes an overnight reality.

Looking Ahead

The impending new money raising operations of the Treasury will pretty well clear the boards, with only the November refunding to be provided for. This means that the money and capital markets should continue to follow pretty much the pattern which has been in style this year, since there are no indications yet that the Treasury will do other than use the short-term or intermediate-term areas for new money and refunding purposes.

The demand for corporate bonds is still relatively fair, as is the buying of tax-exempt obligations, in spite of the large supply of the tax-sheltered bonds. Pension funds and certain other institutional investors have been the principal buyers of the non-Federal securities because the yields on the corporates and municipal bonds are still better than that which is obtainable in Treasuries.

Sterling, Grace Will Admit

Sterling, Grace & Co., 50 Broad Street, New York City, members of the New York Stock Exchange, on Oct. 1 will admit Willard K. Rice to partnership.

H. L. Caldwell Opens

(Special to THE FINANCIAL CHRONICLE)

NOVATO, Calif.—Harry L. Caldwell is conducting a securities business from offices at 535 Arthur Street. He was formerly with Skaife & Co.

A. W. Tabell to Be Walston V.-P.

Anthony W. Tabell will be elected a Vice-President of Walston & Co., Inc., 74 Wall Street, New York City, members of the New York Stock Exchange, effective Oct. 1. Mr. Tabell is an assistant Vice-President of the firm.

F. L. Putnam Adds

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Thomas E. Cannon has become associated with F. L. Putnam & Company, Inc., 77 Franklin Street, members of the Boston Stock Exchange. He was formerly with Kidder, Peabody & Co.

States Collect Record High Volume of Taxes in 1961

By V. Judson Wyckoff, *Department of Economics, De Pauw University, Greencastle, Ind.*

New fiscal 1961 record high in state tax collections follows year after year precedent. The coming trend postulated is more of the same pushed by demands for more services, expanding population and rising prices in current dollars and, quite probably, on a per capita basis in constant dollars. Professor Wyckoff's study breaks tax data down to show changes, revenues sources and interstate comparisons. Adjustments made for population and price rise reveals a figure of $83 for 1961, compared to $52 for 1951—an increase of 58%—per capita state taxes collected in dollars of a constant purchasing power.

Tax collections in our 50 states rose to a new high during the 1961 fiscal year which ended June 30 for most states. The total given in the recent report by the Government's Division of the Bureau of the Census was $19 billion, a sum 5.4% above fiscal 1960.

V. J. Wyckoff

Year after year the total has grown. A decade ago the sum was $9 billion (including an estimate for Alaska and Hawaii not then in the Union), and in 1940 just before World War II $3.3 billion.

Major Tax Sources

The major sources of state tax revenues retained in 1961 the order of importance held for a number of years. The top category was "sales and gross receipts" covering general and selective or specific sales taxes with $11 billion in collections which was 57.8% of total collections.

Of the $11 billion, general sales brought in most with $4.5 billion. "General sales" as a tax base means just about that with the tax imposed usually on the retail sales of most goods and services sold within the jurisdiction of the state concerned. Exemption, for instance, of foods, prescription drugs, and small purchases vary from state to state, but in no case are such exemptions important enough to impair this key tax source used by 35 states.

Next to general sales were the motor fuels taxes with $3.4 billion. Then a decided drop to tobacco products ($986 million), alcoholic beverages ($688 million), insurance ($584 million), public utilities ($375 million), and a catchall of "other" with $415 million.

Thirty-four states tax individual incomes in some form, usually net, getting about $2.3 billion from this source; the 37 states which levy a similar tax on corporations received $1.3 billion. The total of $3.6 billion continued to pull away from licenses as a group which yielded $2.6 billion of which by far the largest part ($1.5 billion) came from motor vehicles and operators. Taxes on "corporations in general" (a franchise tax) were $446 million, hunting and fishing $118 million; the miscellaneous including occupational made up the balance of licenses.

Property taxes on the state level although not unimportant ($631 million in fiscal 1961) have been turned over for the most part to local governmental units. Collections from this source together with death and gift taxes, and those on severances (of natural resources) plus a final "other" accounted for the rest of the state tax collections in 1961.

(The above data reported by Census do not include revenues from government enterprises such as state liquor stores and toll roads. Nor are the transactions of state trust funds such as pensions or Federal grants brought into the tax tabulation.)

Interyear Comparisons

Interyear comparisons of state tax collections have to be handled with care especially if for five years or more. For instance it was mentioned that 10 years ago state taxes came to $9 billion in contrast with the current $19 billion. Just how does one account for this $10 billion increase? There are at least three factors: an expansion in state governmental services, population changes, and price increases. The first two are closely related because as population grows within a state there is a need and demand for more and better roads, state institutions, and other services. (Seldom does a *decrease* in a state's population lead to a cut in state expenditures.)

State services in quantity and quality, however, are not in complete step with population changes so the best thing to do is to remove the population influence in state tax collection data by converting to per capita figures, then make the interyear comparisons. On this basis between 1951 and 1961 state tax collections increased from $58 to $106 per person, or 83% compared with a 111% change in the unadjusted figures of $9 and $19 billion, respectively.

Then there is the further question about how much did price increases enter into even the per capita figures just given. Prices did rise during the decade, but this influence can be eliminated by expressing figures in terms of a *constant* dollar, that is, stating these sums as though prices of goods and services in this country had not changed in the past 10 years.

The figures for state tax collections adjusted for (i.e. eliminating) population *and* price increases come out to be $83 for 1961 and $52 for 1951, an increase of 58%. This is quite a different story from the 111% for the unadjusted totals of 1961 and 1951.

Interstate Comparisons

There is a great difference among states in the absolute amounts of taxes they collect with wealthy states such as California ($2,244 million) and New York ($2,087 million) at one end of the range and Alaska ($32 million) and Wyoming ($41 million) at the other. Even on a per capita basis the spread is considerable with Hawaii at the top of $206 followed by Delaware ($173) in contrast with New Jersey at $63 and Nebraska $67.

These figures just by themselves lead one to believe that there is something wrong because one knows very well that residents in New Jersey are not suffering from civic malnutrition compared with their neighbors in Delaware. The point is that there are contrasts among states in the distribution of governmental services (e.g. education, highways, welfare) between state and local units of government. In New Jersey the local governments assume a much larger share of responsibilities and costs for public services than in Delaware.

A sounder statistical picture can be painted by adding state to local taxes, reducing the respective figures to per capita amounts, then comparing on an interestate basis. A somewhat briefer method is to express state governmental tax revenues as a proportion of the state-local totals. Census does this in this 1961 report, but uses 1959 data as the latest year for which good local governmental tax figures are available. In Delaware the state's portion was 80.1% compared with 28.4 for New Jersey.

The Outlook

So much for the facts. What are some of the more important reasons for this uninterrupted annual increase over many years in state tax collections? What is the outlook, at least for the near future of the next five years or so, assuming no all-out world war? Can and should anything be done to check this growth trend?

Probably the main reason for the continued rise in the current dollar amounts of state tax collections is the constant demand by us citizens for more and better services not only from our own state but also from other states whose operations affect us. Highways, education, sanitation are examples. It is so easy to say: "Let the government do it."

This indigenous growth in state functions is supplemented by two external sources: local and Federal. To an increasing extent local units (counties, townships, cities, villages) are finding their expenditures restricted by their tax revenues and borrowings because these in turn almost always have legal limits imposed by the respective state legislatures. The choice facing local governments is pretty much that between curtailing their services or turning to their states for help. As a result state aid has increased rather consistently over the years, which means, of course, higher state taxes.

Federal pressure on the other hand comes in part through offers to match state outlays for some service deemed necessary to the national welfare and one which transcends a state's lines. This matching offer puts pressure on states to spend money, and though such Federal action does squeeze states which are relatively poor in resources, in the long run such states gain. Why do state legislators submit? Let the proportion to be borne by the Federal government (i.e. taxpayers across the nation) be high enough, and it is the rare legislator who will say "No." (The Federal highway grant of 90% of the total cost is a case in point.)

It is a matter of simple arithmetic that if Federal, state, and local governmental budgets grow larger annually, the total tax bill also grows. And the probabilities are high that in the years to come the citizens of this country will continue to demand more and more services from their governments.

The two other principal factors in the annual rise in state tax collections have been mentioned: population and prices. It is a rhetorical question to ask if population in the United States in the next five years will level off, that is, show no net increase. And almost the same comment may be made about prices. Actually there is, if anything, a greater possibility of a stepped-up price rise, though well short of a runaway inflation, than a renewal of the population "explosion" of the immediate post World War II years.

In theory each of these three major forces behind the continued growth of state taxes, namely, demand for more state services, expanding population, and rising prices, is susceptible of public restraint. But when one goes from theory to fact the question becomes this: Which of these three forces is most likely to be brought under control by voluntary mass action of the people acting directly or through their governmental agencies?

It is easier to answer this question by saying that little restraint private or governmental in any of these sectors (demand, population, prices) seems probable. Awareness of the tax consequences may cause a few persons or minority groups to exercise self-control, but the weight of such small segments in our total electorate will not be important because one always expects to get more from "government" than it costs him.

The conclusion seems unavoidable: year after year state tax collections will increase, certainly in current dollar amounts and quite probably even on a per capital basis expressed in constant dollars.

Customers Brokers Receive Slate

The following slate has been received by the Association of Customers Brokers and will be voted upon at the annual meeting to be held Sept. 27 at the Waldorf-Astoria.

Leo J. Larkin

Frank Dunne, Jr.

David Bell

Alan Kenneth Gage

President: Leo J. Larkin, Carl M. Loeb, Rhoades & Co.

Vice-President: Frank Dunne, Jr., Merrill Lynch, Pierce, Fenner & Smith Incorporated.

Secretary: David Bell, Gruss & Co.

Treasurer: Alan K. Gage, Parrish & Co.

Executive Committee: (Terms expire 1962) Leslie Fourton, Hayden, Stone & Co. (to complete unexpired term of Maurece Schiller, Newburger, Loeb & Co.), and Gordon V. Price, Laird & Co., Corp. (to complete unexpired term of Michael Kourday); (terms expiring in 1964) Albert P. Gross, Bear, Stearns & Co., Leon S. Herbert, Jr., Hayden, Stone & Co., George K. Knahal, Francis I. du Pont & Co., Leonard Marshall, Harris, Upham & Co., Leslie Phillips, Josephthal & Co., and Donald M. Schuhmann, Bache & Co.

Higher Plateau Ahead in Economy and Construction

By Melvin H. Baker, Chairman of the Board, National Gypsum Company, Buffalo, New York*

A sharp lift in GNP reaching $560 billion next year and a 2 to 3% price level rise are forecast by Mr. Baker. Assuming no war but heavy defense spending continuing for several years, the construction industry is expected to move from estimated $57 billion in 1961 to around $80 billion in 1970, and the average of 1.3 million homes a year during these past five years is seen rising to 1.7 million by 1965 and 2 million by 1970.

Our country's economy is moving up to a new high plateau. Total production of goods and services is at an all-time high. Official estimates for the second quarter place the gross national product at an annual rate of $516 billion. The previous high was $506 billion. That was in the second quarter of 1960.

Melvin H. Baker

What has caused this rather sharp upturn?

Defense Spending

Certainly an important factor is the increase in defense spending. As you know, the nation is shifting its military strategy. From a policy of "massive retaliation"—which meant almost total reliance on atomic power—we are embarking on a massive increase in conventional military strength.

This will take billions—$5 to $6 billion a year—to pay for the additional men in uniform, and the tanks, trucks, airplanes, battlefield missiles, and the like.

It is quite clear that this new spending for the military will provide a direct stimulant to business. But it will also have side effects. Possibly the main impact will be *psychological*. Businessmen know that outlays are headed up, that the federal deficit will be expanded, that pressures on prices will be increasing. The results will be more jobs, less unemployment (although it seems unlikely that unemployment will fall below the 4% mark), substantial increases in capital spending for plants and more consumer spending as personal income rises.

There is worry, and rightfully so, that we could be in for another round of inflation. My own view is that prices will rise from 2 to 3%. We at National Gypsum are making our plans accordingly—to get new additions under contract now before prices go up.

Inventories

Another element that is boosting the gross national product is the business policy on inventories. In the first three months of this year, inventories were being *liquidated* at an annual rate of $4 billion. But in the second quarter, they were being accumulated at an annual rate of $2.5 billion.

The Commerce Department reported last month that the rate of inventory accumulation has lessened in recent weeks. The Department also observed that the pickup in auto sales had lessened somewhat. But the federal officials noted several possibly offsetting factors: Stepped-up government spending, a faster pace of home building and a "firming" of business outlays for new plant and equipment.

If these favorable trends continue upward—and I believe that they will—the gross national product should rise almost 4% this year to an average of around $520 billion. Next year we should see a gain of around 8%—lifting this figure to about $560 billion.

That's the picture as we see it for the national economy.

Now, to be more specific, let us look at the construction industry.

Construction Outlook

Construction contract awards so far this year in all major categories are running ahead of the comparable 1960 period.

In July we saw commercial buildings climb 15% over 1960; educational and science building was 6% over the same month last year and hospitals and other institutional buildings jumped up 42%. All public construction was up 8% over the same month in 1960.

In July the value of new construction of all kinds put in place amounted to $5.4 billion according to the Commerce Department. This was 5% above the July 1960 level.

For all of 1961 we expect to see construction set a new record of about $57 billion.

Now let's look at housing—the biggest single segment of the construction industry. In July housing starts were 7% above the same month in 1960. For all of 1961 we estimate that private and public home starts will approximate 1,300,000. We base this projection on a number of factors including a greater availability of all types of housing credit and lower mortgage interest rates. The industry is now geared to produce most any type of home the consumer desires—from a $2,500 shell house to a $100,000 mansion.

6½ Million New Houses

Looking farther ahead, we look forward to a demand for at least 6½ million new housing units between 1961 and 1965.

We base this on a number of factors: During these five years, 4½ million new households will be formed. About 1.4 million families will move out of their present homes, and 300,000 more will buy second homes, mostly for summer use. Maintenance of an adequate vacancy rate will call for construction of an additional 300,000 units.

The 6½ million total during these five years averages out to 1.3 million new homes a year. By about 1965 the basic annual demand will rise to around 1.7 million new homes a year, and this should move up to 2 million a year by 1970.

Despite the progress we've been making in home building in the last decade, the present state of housing warrants no complacency. Our inventory of homes still includes almost 11 million substandard dwellings. It is clear that we must accelerate the rate of urban renewal and home building. As you know, President Kennedy has called for a 2 million a year home building rate—more than 700,000 above the current annual level.

Urban Renewal and Home Improvement

We believe that urban renewal activity will accelerate as a result of the 1961 housing act. We will step-up the rebuilding of our older cities as a result of this new law which makes $2 billion available for urban renewal over the next four years.

Home improvement—now already a $13 billion annual market, will be spurred by the new law which provides liberal home improvement terms. To give you an idea of the size of the remodeling market, I might note that new public and private residential construction in 1960 was $18 billion—only $5 billion more than the remodeling market. The total of new residential construction and residential remodeling comes to the staggering sum of $31 billion.

Of all the forces working to boost residential construction, none is probably more important than population growth. One of the most basic facts about life in America today is that ours is a fast-growing nation. In the few minutes that I'll be speaking here, some 30 Americans will be added to our total population—a new American every eleven seconds—that is the rapid rate at which our country is growing.

And as this steady increase continues, minute after minute, hour after hour, day after day . . . by 1970 there will be 208 million Americans—a net increase over the present of about 27 million—the equivalent of nearly two times the population of Canada.

But not only are we a growing nation, we are a moving nation. One American family in every five changes its address every year. And this mobility will be accentuated up to and beyond 1970 by the continuation of various migrations; the move of some northern industries into the South, the flight of the farmers to the cities and the rush of city dwellers to the suburbs. But a fast-growing and moving America will require other types of construction besides homes. There will be need for more schools, churches, shopping centers, public buildings, office buildings, factories, highways, bridges, hospitals and the like.

I believe that the construction industry, now $57 billion a year, will rise to around an $80 billion annual level by 1971.

It now appears that more money will be spent on new construction in the next ten years than was spent in the last twenty.

Highways

In the public sector of the construction industry, the biggest single area is highway building which got a big boost recently when the President signed the new highway bill. It provides $11½ billion additional federal grants to the states to permit completion by 1972 of the 41,000-mile Interstate Highway System. The bill is assurance that large spending on new highways will continue.

In conclusion, I have painted rather a rosy picture for our national economy and the construction and housing industries. You will understand this is based on the assumption there will be no war. It is my belief our current difficulties with the Communists in Berlin will be resolved by negotiation. It also seems clear that heavy defense spending will be continued for several years.

*From a talk by Mr. Baker before the Bond Club of Buffalo, Buffalo, N. Y., Sept. 12, 1961.

Wolf V.-P. of Nat'l Quotations

The board of directors of National Quotation Bureau, Incorporated, 46 Front Street, New York City, has elected Joseph L. Wolf a Vice President, it was announced.

Joseph L. Wolf

Mr. Wolf has been with the securities quotations organization since 1934 and New York sales representative for several years. In his new post, he will continue his former duties.

Form Liberty Secs.

SARASOTA, Fla.—Liberty Securities Corporation has been formed with offices at 1230 North Palm Ave. to engage in a securities business. Officers are W. DeVier Pierson, President; William Bevers, Roy H. Sturm, and Lester N. Simmons, Vice-Presidents; and Gary R. Ball, Secretary-Treasurer.

A New Era in Bank-SBA Small Business Financing

By John E. Horne, *Administrator, Small Business Administration, Washington, D. C.*

Basic change in SBA's lending policy called "Simplified Bank Loan Participation Plan" is explained by new head of the Small Business Administration. Mr. Horne observes that small firms today, whether new or stabilized, must have more capital loan funds on longer terms, and denies that SBA's supplemental assistance is designed to supplant or compete with private credit sources. The new Bank-SBA plan is said to prove beneficial to banks, the small business debtor, local communities concurrently, and "open up new vistas on the business frontiers of our nation," enlarging industrial and economic growth.

When I became Administrator of Small Business Administration in February of this year, it was apparent to me that it was highly desirable to achieve a vastly increased cooperative bank participation in SBA loans to small firms. After detailed study and consultation with commercial banking officials in various parts of the country SBA has adopted what we call our *Simplified Bank Loan Participation Plan.* This plan embodies a fundamental change in our lending philosophy.

John E. Horne

In essence the plan is designed to meet the objections of many banks that Bank-SBA participation loans "require too much paper work, involve too many requirements, and disbursement of the loans is too slow."

This simplified plan is now in effect in all of SBA's 59 offices throughout the country. Its aim is speed and efficiency. In effect, under this program we now take a more positive approach. We would like to regard the banks as business partners.

Loan Forms Simplified

All paper work has now been stripped to the bare essentials. Loan forms have been simplified to one page and all procedures streamlined. The new plan offers the immense advantage — to the banks and their small business customers and to the SBA — of permitting the SBA to rely on the banks' credit judgment, giving full recognition to the fact that the bank's judgment is based on its knowledge of its customers and its experience in the banking field.

Under this new loan plan the banks will be permitted to use their own forms of mortgages, agreements, etc., and will service the loans for SBA. For this service the banks may deduct out of funds collected for the account of SBA, a service fee of one-half of 1% per annum on the unpaid balance of SBA's portion of the loan. To speed disbursement of bank-serviced immediate participation loans, the SBA will defer examination of copies of the bank loan documents until *after* the funds have been disbursed by the bank and the bank has received its check from SBA. Such "post audits" will embrace only corrective matters of substance, if any.

This is a basic change in SBA's lending policy. The new streamlining should facilitate the making of many small business loans and provide a ready means whereby banks can supplement their lending activity to their small business customers.

Here is how a bank can benefit under this new program: A bank desiring to be prudent and yet progressive may "budget," say, $2 million of its lending funds for long-term loans to deserving small business firms in the community. When this amount has been committed, if the bank is to stay within its budget, it would be very reluctant even to consider further term loans.

However, consider what the bank's position would be if it shared these loans on a 25%-75% basis—with SBA taking the larger share. The bank would be in a position to advance within the community $8 million in term loans and the bank's exposure would still remain at $2 million, the budget ceiling.

Thus through the *Simplified Bank Loan Participation Plan* a bank can meet with dispatch the term credit needs of many customers it might otherwise not be able to serve. This helps increase the bank's business and also helps build the community.

Under the new program a bank may participate with SBA in a loan to a small firm with the Government providing up to $350,000 in funds for any one loan. The participating bank must take at least a 25% share in the loan. The interest charged on SBA's share of the loan is 5½%, but the bank may set the interest rate on its share of the loan. If the firm is in an officially designated area of substantial unemployment the interest on SBA's share of the loan is 4%.

Maturities on these loans may be for as long as 10 years, but in cases of working capital loans maturities not longer than five or six years are the general rule.

All SBA financial assistance personnel have been instructed to act with speed in handling Simplified Bank-SBA participation loans, to be less demanding on the bank than they have in the past, imposing only those requirements which are of substance and would tend to improve the credit to the end that a loan can be approved.

Need for Credit by Small Firms

How great is the unfilled need on the part of small firms for industrial and commercial credit?

There has been considerable concern over small business financing problems in this country for more than a quarter of a century, and many studies have been made.

Yet despite these studies, the fact remains that it is not possible to measure with any degree of exactitude the nature and extent of the gaps that exist with regard to small business financing.

An exact determination is not possible because of the lack of statistical evidence, and because the problem by its very nature does not permit precision in measurement.

And yet it is possible to reach certain conclusions that appear to be valid.

It is well known, for instance, that many small firms do not express a need for longer-term loans, simply because they believe that such funds are not available to them. Yet if such funds were available to them a great many of these firms could modernize and grow, whereas they are now merely trying to hold on.

It has been found that while there is a difference of opinion as to the severity of the problem of adequate small business financing, there is general agreement that small businesses are faced with a real difficulty in obtaining the industrial and commercial credit required for adequate growth and development.

Traditionally, commercial banks are reluctant to tie up more than a minimum amount of their available funds for such loans and consequently may be unable to meet the full needs of small firms.

The economic history of the United States has been marked by steadily increasing amounts of capital invested per worker employed, with increasing productivity per worker and a rising standard of living. In 25 years the amount spent on producers' durable equipment has increased five-fold. High wage costs and competition are the principal spurs to more plant investment.

Thus the small firm today, whether it is a new or established one, must have more capital funds —and more industrial and commercial credit—than ever before. In short, it takes more money to do business today than ever before and more and more small firms are feeling the credit pinch.

Trade Credit Inadequate

Because it is so difficult for small firms to obtain equity capital from the outside, and virtually impossible to build sufficient capital from earnings, loan capital is particularly important to them, and this is usually available—if it is available at all — as short-term credit. The principal types of short-term credit are trade credit, commercial credit, and that represented by accrued obligations and loans by non-professional lenders.

The most common of these is trade credit, which has been called "the mainstay for the smaller business enterprises."

Today more and more small firms are having to rely on trade credit to fill—or partially fill—their credit needs. This puts small firms at a distinct disadvantage for the effective rate of interest on trade credit is in most cases higher than that of short-term bank loans.

Moreover, firms relying on trade credit must confine their purchasing to suppliers who will give them credit and thus they cannot shop around and obtain their merchandise at the most favorable price.

The purpose of SBA's financial assistance program is to supplement private sources of industrial and commercial credit, to help fill this existing credit gap, and to cooperate with the banks in working out an effective program to meet these credit needs of small firms.

It has never been the intention of Congress, nor has it ever been the intention of the Small Business Administration, that SBA's financial assistance program would supplant or compete with private credit sources.

Private lending and financial institutions are, and must remain, the principal sources of financing for all business.

More than 63% of the SBA loans currently being approved for small business are in participation with banks. More than 5,600 banks, or about one-third of the nation's total, have participated with SBA in more than 16,000 loans totaling nearly $830 million.

This record was achieved under the four older Bank-SBA participation loan plans—Deferred Participation Loans, Immediate Participation Loans, Limited Loan Participations, and Early Maturity Payment Plans.

Profitable Partnership

Thus it has been amply demonstrated that Bank-SBA participation term loans to business can be profitable. I am convinced that by enlisting the active cooperation of many more of the nation's banks we can greatly increase the flow of industrial and commercial credit needed by America's small firms.

That is why SBA is now opening up a new era in Bank-SBA business financing by supplementing to the old programs our new *Simplified Loan Participation Plan.*

This is a positive step forward in SBA's drive to open up to small business the financing they need to keep abreast of current technology and competition.

The new participation plan stands to benefit the banks, the small businesses to which loans are made, the local communities, the states and the nation.

Participating banks benefit because the plan enables them to broaden their lending activities, maintain desired liquidity of assets, provide better service to their customers, and receive a fair return on their money and reasonable compensation for administering loans.

Small businesses benefit because they obtain needed credit not otherwise available to them on reasonable terms.

States and the local communities gain because thriving small businesses make for an expanding economy and resulting community prosperity.

The nation benefits because ready access to needed financing helps to insure a healthy, growing small business population.

I believe that through this *Simplified Bank Loan Participation Plan* the Small Business Administration can prove to the banks and to their small business customers that the government can act quickly in loan matters. And I am confident that we can safely rely more fully than we have in the past on the bank's own credit judgment, without jeopardizing the public interest.

Through this program I envision a greatly increased flow of term credit to help the nation's small businesses modernize, expand and create new jobs. I believe it will open up new vistas on the business frontiers of our nation, and may well be an important force in expanding America's industrial might and in creating a steadily growing economy.

Putnam Co. Names Research Head

HARTFORD, Conn.—The appointment of John B. Russell as head of its Research Department was recently announced by Putnam & Co., 6 Central Row, members of the New York Stock Exchange. He will also carry research responsibilities for Putnam & Co. branches throughout the state.

John B. Russell

Mr. Russell was graduated from Yale University in 1947. Subsequently, he did graduate work at the School of Advanced International Studies in Geneva, and later returned to attend law school at the University of Virginia. He received his law degree in 1950, that year also joining the Department of State as an economic and political specialist. This service was initially in Washington, D. C., and later overseas in Western Hemisphere posts.

In 1955, Mr. Russell joined Clark, Dodge & Co. in New York City as a securities analyst. In 1958, he became associated with Wood, Struthers and Company, also in New York City, as Assistant to Managing and Senior Partners. His primary responsibilities were in securities and industry analyses and reporting, and in portfolio management. He recently resigned from Wood, Struthers to accept his present position with Putnam & Co.

Freiday Co. to Admit La Frence

Freiday & Co., 61 Broadway, New York City, members of the New York Stock Exchange, on Sept. 26 will admit Vincent H. La Frence to partnership. Mr. La Frence, a member of the Exchange, is a Partner in La Frence & Carmichael which is being dissolved.

Two With J. Barth

(Special to The Financial Chronicle)

SAN FRANCISCO, Cal.—Rodney C. Morse and Ronald V. Pelosi have become associated with J. Barth & Co., 404 Montgomery St., members of the New York and Pacific Coast Stock Exchanges. Mr. Morse was formerly with Lawson, Levy, Williams & Stern; Mr. Pelosi was with Brush, Slocumb & Co., Inc.

Asbestos: A Fascinating And Profitable Fiber

By Dr. Ira U. Cobleigh, Enterprise Economist

Outlining the expanding uses for this insulating mineral, and three Canadian producing companies whose shares range from investment to speculative status.

The Greeks named it asbestos, which means "inextinguishable." It's a remarkable fiber, insulating against heat, cold, electricity and dampness; resistant to abrasion wear and acid; and easily bonded with other materials. It has more than 3,000 separate uses today. In the construction industry it's used in asbestos - cement siding, shingles, roofing shingles, clapboard, wallboard and floor tiles; in transportation asbestos is a vital ingredient in brake linings, clutch facings, gaskets and automobile undercoatings. Packing and friction materials of asbestos are widely used in machinery. As insulation, it serves in insulating electric equipment, boilers, furnaces, pipes and marine machinery.

Asbestos is used in oil and gas pipelines and asbestos-cement pipe is in expanding demand for water and sewer piping. In vinyl and laminated plastics, its uses are myriad. You pay tribute to asbestos every time you pick up a telephone receiver or ride in a fiberglass boat. Are you old enough to remember the word "Asbestos" on earlier theater curtains? Asbestos still is used to insulate you from the players before and between acts, and to insulate everybody from fire.

We've documented enough uses for the fabulous fiber to prove it's an element in urgent demand. But where does it grow, and who's making money producing it? Canada is the major source accounting for about 65% of the world's production. In Eastern Quebec Townships, there is a mineralized area, 60 to 80 miles South of Quebec City, and there is located a vast store of a rock called serpentine, which contains chrysotile asbestos. The ore, after extraction, is crushed, dried and screened, and the resulting fibres are graded as to length and quality, packaged and sold to fabricators.

The biggest company in the business, both in mining and manufacturing, is Johns-Manville which has at Asbestos, Quebec, the largest mine in the world. Flintcote, National Gypsum and Ruberoid are also large producers and users. Over the years, making asbestos has been highly profitable (as the wives of Tommy Manville could testify!). Fortunes have been made and in Canada, and since 1950, well over $100 million has been spent to expand asbestos production; and output has more than doubled since the end of World War II.

Our stint today was not to review the big broadly diversified manufacturing and merchandising companies, but to select three Canadian producing companies of some merit, either because of their past performance or their promising future.

Asbestos Corporation Ltd.

This is the largest independent producer of cement in the world, owning fee, or having the mineral rights to, over 33,000 acres of serpentine-laden lands in the aforementioned Quebec area, with ore reserves of probably around 115,000,000 tons.

Asbestos Corporation, Ltd. has demonstrated solid growth, increasing its assets from $9½ million in 1945 to around $35 million today. It has been a steady earner, netting at least $2.30 a share each year since 1951. There are 1,800,000 common shares outstanding as a result of a 3-for-1 split in 1951. The stock, listed in Montreal, is currently selling at 32 with an indicated 30¢ quarterly dividend. Company custom has been to pay out between 60% and 70% of net in cash dividends, which have been paid without interruption for 23 years.

Asbestos Corporation, Ltd. common seems to be a well insulated investment with a comfortable yield, and available at a sensible price.

United Asbestos Corp., Ltd.

This company is of a more speculative character and its rising trend in earnings has carried the shares to a recent high of 6¾. The stock is listed on the American, Toronto and Canadian Stock Exchanges.

United Asbestos is the result of a very dramatic engineering project. In this Quebec asbestos area there was a lake, called Black Lake. It was surrounded by rich ore and tests showed that the lake bottom also was loaded with it. But how would you reach the ore with a lake on top of it? Why, drain the lake, of course! Which is what was done. American Smelting and Refining Co. thought enough of this project to allocate $40 million for a joint development with United Asbestos (which put up $2 million). The basic division of earnings between the two partners was to be 50-50.

Well, the lake was drained, a 14-story $9 million mill was built at Black Lake. This mill is the last word in efficiency, and can process 6,000 tons a day of ore with annual capacity of over 100,000 tons of fiber. Production began three years ago and has been steadily rising. So have profits. United Asbestos' share of earnings from mine net proceeds this year has been estimated at around $3.1 million, or about 70c on each of the 4,400,000 shares outstanding. The company recently declared its first dividend of 10c, which incidentally is tax exempt.

United Asbestos also has a major interest in Detinu Holdings, a group of concrete products companies. Altogether, this company has demonstrated a lot of drive and forward motion and the stock, even at present historically high levels, seems to present a speculation of considerable romance.

Golden Age Mines, Ltd.

This company makes its appeal to speculators of a more venturesome turn of mind. While the shares sell at a lowly 40c, the management is impressive, the ore body extensive, and the prospects alluring.

Golden Age Mines, Ltd. started out as a gold mine back in 1911 and still owns a 40-acre gold ore tract in Ontario. In 1948 new management took over and acquired, in due course, two asbestos-prone areas—1,100 acres near Beauceville, Quebec, and 2,000 acres at Richmond, Quebec (15 miles from Sherbrooke). The Beauceville property has "proved up" most satisfactorily with ore body estimates of 2 million tons, proven; 4,796,000 indicated, and 12,665,000 probable—a total of over 19 million tons. (These figures were submitted in a recent letter to stockholders.) If you calculate the value of this rock in place at $10 a ton, then you arrive at quite an impressive potential realization for Golden Age.

A pilot mill is already in operation with recoveries of fiber running at 30% of the rock milled. This is an unusually high ratio. The other two companies just discussed produce long fiber asbestos. Golden Age, however, produces, not long fibers, but a special premium grade of what is called asbestos flour, a powder in expanding demand in industry especially for plastics, coatings, and piping. Operations at the pilot mill are now reported "in the black" and there are plans afoot to build a 500-ton-a-day mill. This next step could result in delivery of substantial earning power to the company.

Management is under the guidance of Charles Shipman Payson, Chairman of the Board. Mr. Payson is also Board Chairman of Vitro Corp. of America, a member of the Finance Committee of Armco Steel Co., and a highly respected financier and industrialist. Mr. James A. Robb is President.

There are 4,714,000 shares of Golden Age Mines, Ltd. listed on the Canadian Stock Exchange. The shares are obviously highly speculative.

We have swiftly reviewed the outlook for asbestos and three diverse entries into this industry—one of investment quality, one speculative and one highly so. They are presented without the slightest recommendation, but may suggest to you a more detailed investigation of market opportunities in this industry.

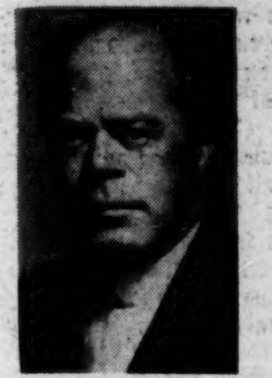
Messitte Joins First Weber

First Weber Securities Corp., 79 Wall Street, New York City, underwriters and distributors of investment securities, have announced that Simon Joel Messitte has become associated with their firm as manager of the syndicate department.

Mr. Messitte was formerly with Maltz, Greenwald & Co. and prior thereto with Hirsch & Co. for 15 years.

Hornblower & Weeks To Admit Partners

Ben Regan, formerly President of Nationwide Food Service, Inc. of Chicago, has been proposed for admission on Oct. 1 as a partner in Hornblower & Weeks, 40 Wall Street, New York City, 73-year-old brokerage and investment banking firm. He will be resident in New York. Mr. Regan had previously been associated with Hornblower & Weeks in their Chicago office from 1928 to 1942.


Ben Regan


A. Paul Oglivie


W. Marshall Schmidt

Mr. Regan then became a partner in Canteen Food Service, which changed its name to Nationwide Food Service, Inc. in 1946. He became its president in that year. The company was recently sold to Automatic Canteen Company of America, of which Mr. Regan is presently a director. He is also a director of Muntz TV Corp. and American Decalcomania Co.

Now a member of the NATO Commission which is headed by Christian Herter, Mr. Regan has served with many national and state organizations. He has been a member of the Illinois Development Council, Executive Secretary for Illinois of the War Production Board, Chairman of the Illinois Aeronautical Commission, member of the food rationing committee of the Office of Price Administration, member of the Executive Committee of the National Aviation Clinic and member of the National Aeronautical Association. He has recently retired as a Public Governor of the Midwest Stock Exchange.

In addition, W. Marshall Schmidt has been proposed as a partner in Hornblower & Weeks' Philadelphia office and A. Paul Ogilvie in the Chicago office, both effective October 1.

Stone, Ackerman Formed

Stone, Ackerman & Co., Inc. has been formed with offices at 120 Broadway, New York City (c/o Melvyn I. Weiss, Strasser, Spiegelberg, Fried & Frank), to engage in a securities business. Officers are Harold M. Stone, President and Treasurer, and Stuart M. Ackerman, Vice-President and Secretary. Mr. Ackerman was formerly with Herzfeld & Stern.

World Monetary Stability Requires Self-Discipline

By Hermann J. Abs, Managing Director, Deutsche Bank AG*

One of Germany's leading recovery-architects doubts present surplus position of a number of European countries will last as long as our post W. W. II surplus. Mr. Abs rejects current proposals for a supra-national bank and automatic creation of liquidity as impractical and, after regretting the absence of the "admirable mechanism of the gold standard," recommends: (1) sounder, coordinated economic policies by each country under the present gold-exchange standard; (2) common market for all Atlantic peoples with harmonized economic and financial policy; (3) making the dollar and sterling less susceptible to short term fluctuations; (4) capital exports by surplus countries with improved international tax laws and investment-treatment; and (5) not altering exchange rates except as a last resort in case of long run difficulty.

At the moment, we are witnessing a variety of projects for reforming the international currency system. As is known, the object is to increase and more evenly distribute international liquidity; the national foreign exchange balances are to be adjusted and appropriate currency policies are to be adopted by the surplus and deficit countries. Some quarters are even prepared to sacrifice the stability of exchange rates to these ends.

Dr. Hermann Abs

I should like to ask: Is there anything more important, more indispensable or more urgent for an internationally satisfactory monetary order than that each nation concerned should confirm and secure its own financial stability? Can institutions or even automatisms, funds, drawing rights, or exchange rate adjustments guarantee a lasting equilibrium if as a result of differing degrees of discipline in economic and financial policies, there is a marked discrepancy in the development of internal price levels and international competitiveness of the nations concerned? On the other hand, conditions being what they are, who can bear greater responsibility for the internal stability just mentioned than national agencies? This ultimate supremacy of national responsibility even applies in regard to the members of the European Economic Community who have agreed to delegate a comparatively wide range of economic competencies to a supra-national institution.

Before contemplating any reforms of monetary institutions and practices, it is necessary to condemn a policy which results in a creeping inflation because of the injustice and inefficiency such a policy would entail. That holds especially true considering the fact that it would be impossible to coordinate such policies. One country inevitably would inflate more extensively than the other. This would inevitably result in balance of payments crises as well as other disturbances of the monetary system and the international exchange of capital.

Self-Discipline Essential

First and foremost, all countries concerned should practice national self-aid. This is not irreconcilable with the acceptance of the fact that today more than ever only *internationally coordinated self-aid* can succeed. From the convertibility of currencies, it follows that measures on purely national lines have lost its effectiveness. Countries like the USA and the Federal Republic of Germany have already experienced negative results—the latter regarding her interest policy. Coordination will have to comprise the entire realm of economic and financial policy, including business cycle and foreign trade policy. Otherwise the results could only be very short-lived.

Let me quote a few sentences from a statement made by Mr. Douglas C. Dillon, the U. S. Secretary of the Treasury, before the Sub-committee on International Exchange and Payments of the Joint Economic Committee of Congress on June 19, 1961:

"In the final analysis, there is no substitute for balance of payments discipline in this, or any, economy—a discipline that reaches through our productivity performance, our price and wage performance, our governmental budgetary position, and our monetary and credit policies. Neither the force nor the form of this discipline is materially different for a reserve-currency country than for any other."

I may add that Mr. Alfred Hayes, President of the Federal Reserve Bank of New York, spoke to the same effect before the above mentioned Committee of Congress. He said:

"To some students of international finance the challenge appears so formidable as to require sweeping reforms in the international financial system itself. I do not agree. . . . For me, the key to all these problems, lies primarily in the formulation of appropriate policies and in their coordination through international consultations, rather than by radically transforming existing institutional arrangements."

Now that Great Britain and a number of other EFTA countries have declared their willingness to join the European Economic Community, the tendency towards a closer international harmonization of economic policy may soon be expected to spread over the whole of Western Europe. Without such harmonization, how could the nations involved even successfully achieve a permanent removal of duties and quotas?

At a time when the idea of combining the EEC and EFTA is passing from the stage of utopia to the realm of feasibility, more intensive cooperation on the Atlantic level also assumes a greater actuality. Let us hope that the successor of OEEC, namely the OECD of which the USA has also become a full member, will have the firesight and courage to aspire a **common market of all the Atlantic peoples.** This would simultaneously increase the productivity of Western industrial states to the benefit of developing countries.

Opposes Supra Central Bank

In my opinion, the idea of a supra-national central bank or the establishment of an institution which *de facto* would assume the status of a supra-national central bank by concentrating in its vaults a high proportion of the national currency reserves and which might even be invested with the authority to create additional international liquidity is contrary to the principles which I have outlined earlier. The realization of such a project demands a measure of preparedness to give up national sovereignty in the sphere of economic and financial policy in favor of supra-national agencies which would hardly be possible to attain in the foreseeable future, considering the occidental and particularly the European federalist tradition. It seems questionable whether it would be sound to envisage a solution of this kind even in the more distant future. I am afraid it would never do to establish a uniform currency system if other important competencies were to remain decentralized.

To my mind, the thought of a supra-national accounting unit, which was advocated here and there, at least on the European continent, should also be rejected. The peoples partaking in world trade have ample reason to welcome the existence of two currencies, the dollar and the pound sterling, which are of outstanding importance for international trade. It is desirable that this situation be further consolidated. To this end, the two currencies ought to be made less susceptible to short-term capital fluctuations. This susceptibility is revealed as soon as the key-currencies are changed into gold or other currencies either because of a lack of confidence in their stability, or as a result of interest arbitration or for other reasons. Such susceptibilities become dangerous if caused by a prolonged deficit in the trade balance and the balance of long-term capital movements. This is to be expected, if a country's economic and financial policy becomes unbalanced generally.

Disagrees With Rueff's Thesis

Jacques Rueff, whom I hold in high esteem, recently considered it a "fundamental collective error" which could develop into "a surprising and scandalous episode" that the present gold-exchange standard allows the credit basis to be doubled. Indeed, the foreign exchange which flows out of a deficit country might be bought and paid for by surplus countries in currency which has been created for this purpose by the central bank and subsequently placed back on the debtor country's market. Yet this need not automatically result in inflationary tendencies, because there are various compensating factors. Considering that unfortunately the admirable mechanism of the gold standard cannot at present be established for many different reasons, the current system seems to me to have proved quite sound, at least as far as the fundamentals are concerned. Therefore, its inherent weaknesses will be the less aggravating, the sounder the economic policy of the governments concerned. This conclusion is the *ceterum censeo* of my statements now.

No agency would seem better suited than the International Monetary Fund to counteract liquidity crises by negotiating assistance credits which, however, should never be granted automatically, that is without investigating the particular circumstances of each case and possibly without asking the receiving country to assume certain obligations.

Such assistance will only be effective if it facilitates the debtor countries' efforts in making fundamental adjustments. Yet we must beware of interpreting a disequilibrium of the trade or payments balance or the national economy altogether as being of a structural nature. During the last 15 years, we have witnessed a great deal of change in the terms of payment, but also in the flow of commodities and capital. Many of these phenomena, which at first seemed permanent, turned out to be temporary. Thus, for instance, I am convinced that the present surplus situation in a number of European countries will prove no more lasting, perhaps even less persistent than the U. S.-surplus situation after the last war.

Moreover, the present foreign trade and exchange position of a number of European countries has been vastly overrated. The Federal Republic of Germany, for instance, during the last five years achieved an average annual foreign trade surplus of about $1 billion, while during the identical period the United States' annual commodity exports exceeded her imports by $4 billion. To my mind, the real problem consists in a suitable structure and adequate volume of capital exports rather than in the superior or inferior competitiveness of the national export business.

Favors Stability in Exchange Rates

It is amazing to see what great hopes are occasionally attached to changes of exchange rates. Again and again we hear that surplus countries ought to revaluate or at least permit a temporary revaluation of their currencies by introducing flexible exchange rates with ample allowance for oscillation.

The following objections must be raised against interfering with exchange rates:

(1) The stability of exchange rates is one of the basic prerequisites of intensive and steadily expanding international capital, money, and even commodity movements. Alterations of the exchange rates often fundamentally upset the basis of business calculations. They carry an element of uncertainty into international economic relations which is impossible to neutralize. Therefore, they are disturbing even if they only occur very seldom.

(2) Manipulations of the exchange rates as a means of influencing the business cycle must also be ruled out because their effects do not show as promptly as required for business cycle adjustments.

(3) Warnings are also in order against manipulations of the exchange rates for reasons of structural policy. As already mentioned, one must beware of readily attributing economic disturbances of all kinds of structural causes, by which long-lasting phenomena are usually meant.

(4) Revaluations of flexible exchange rates have a serious disadvantage in that they are apt to cure symptoms, thus diverting attention from the real problem.

(5) Currency revaluations in countries enjoying a temporary foreign exchange surplus cannot even curb speculative money and capital movements. The Deutsche Mark revaluation in March 1961 is a classical example of how, on the contrary, a revaluation increases the tendency towards pronounced speculative capital movements, because it undermines confidence in the stability of the existing rates of exchange.

(6) Those in favor of revaluating one or the other currency should bear in mind that what seems right in one case soon might be considered fair in another.

Accordingly, alterations of exchange rates can only be contemplated as a last resort in removing difficulties of a long-lasting nature.

Views on Capital Export

Is the suggestion, especially on the part of the United States, that the present surplus countries must do more to promote capital exports, both in the interest of developing countries and in order to contribute towards a more suitable distribution of international liquidity justified? I should like to answer with a conditional yes. However, a clear distinction must be made between short-term funds supplied by surplus countries and long-term capital exports in the form of loans or participations. I have already discussed the first category which includes a temporary liquidity assistance.

What of long-term capital exports? I think I may say that the Federal Republic of Germany can be counted among the countries where the willingness to expand capital exports is steadily increasing, partially for economic and partially for political reasons. Last year, my country raised about $1.5 billion in various kinds of contributions, including debt service and restitution payments. During the current year, the German Federal Government alone has agreed to extend long-term financial aid to developing countries in the amount of $1.1 billion. Altogether, German capital exports in 1961 are expected to be considerably higher than in 1960.

Commercial capital exports, that is capital transfers by private business, still encounter difficulties which in themselves could be resolved.

Thus, it appears exceedingly difficult in practice, yet on the other hand extremely urgent, to adjust tax-legislation affecting capital movements, one example being the tax on securities. As a result of differences in national laws and procedures, progress in the listing of foreign securities on the various national bourses or stock exchanges is rather sluggish, although the internationalization of capital investment via investment certificates has been comparatively successful.

Unsatisfactory Investment Climate

The volume of direct private investment in developing countries is still by far insufficient. Why is this so? One of the main reasons is that the investment climate in some of these areas is still very unfavorable, in some places even worse than it was some years ago. As a result, private investors, in particular small and medium-sized companies of the Western countries not having at their disposal sufficient risk-capital and manpower, are still reluctant to invest their capital abroad. In this respect, I do not hesitate to say that the Cuban Government for example, by its illegal measures taken against foreign investment, has rendered a very bad service not only to its own economy but also to other developing countries.

On the other hand, a country like Argentina which, under the leadership of President Frondizi, has firmly decided to discontinue the practices of Peron and which for some years now has already been pursuing a policy of credit-worthiness and fair treatment of foreign investment, is now being rewarded by an increasing volume of private capital coming from abroad. Pakistan and Malaya are other examples.

I venture to repeat that, under the given circumstances, a considerable improvement in the overall investment climate will not be achieved until and unless like-minded countries both in the industrialized and the developing world get together and set an example—by a mutual and reciprocal charter — in observing some basic rules regarding fair treatment of foreign private investment, once such investment has been accepted by the countries concerned. Such fair treatment would have to comprise:

(1) No discrimination vis-a-vis nationals and between foreigners of different nationalities.

(2) Strict adherence to undertakings given.

(3) No direct or indirect deprivation of foreign investment without prompt, just and effective compensation.

(4) Submission of disputes to international arbitration.

Since 1957, an overgrowing feeling has emerged both in developing and in capital exporting countries that such a convention

is one of the most important preconditions for the solution of the economic—as well as the political—problem of the less developed countries. Many more countries and organizations are now working positively on this very subject than was the case a few years ago. Amongst them are the International Chambers of Commerce, the OEEC and quite a number of private groups within and without Europe and the United States. Recently the Development Assistance Group has also discussed this matter in a very constructive way together with other related subjects.

I am aware of the fact that before such understanding is reached — even though, at the start, amongst a limited number of countries — a fair amount of legal, political and psychological difficulties still have to be overcome. But if the parties concerned look at the matter **sine ira et studio** and if they recognize objectively that it is only to the best of all concerned, especially of the developing countries, that proposals of this kind have been put forward, these problems eventually can and will be solved.

*An address by Mr. Abs before a session on "Investment and Financial Policies for Economic Progress" at the International Industrial Conference jointly sponsored by the National Industrial Conference Board and Stanford Research Institute, San Francisco, Calif., Sept. 12, 1961.

Gaughan Mun. Manager of DeHaven Firm

PHILADELPHIA, Pa. — DeHaven & Townsend, Crouter & Bodine, Land Title Building, members of the New York Stock Exchange and other leading Exchanges, announce that Philip P. Gaughan has been appointed Manager of their Municipal Bond Department.

Philip P. Gaughan

Mr. Gaughan has been associated with DeHaven & Townsend, Crouter & Bodine since 1953. He is a member of Investment Traders Association of Philadelphia, The Municipal Bond Club of Philadelphia and the Investment Association of Philadelphia.

Andrew Blum With Gregory & Sons

Andrew M. Blum is now associated with Gregory & Sons, 72 Wall Street, New York City, members of the New York and American Stock Exchanges, it has been announced. Mr. Blum was formerly with Van Alstyne, Noel & Co. and H. Hentz & Co.

Seager Securities Opens

Seager Securities Corporation has been formed with offices at 310 Madison Avenue, New York City, to engage in a securities business. Officers are William J. Maundrell-Seager, President; Allan L. Steinberg, Vice-President and Secretary; Eugene Haber, Vice-President, and Sedell G. Rand, Treasurer.

J. L. Hamburg Opens

Jed L. Hamburg is engaging in a securities business from offices at 11 Broadway, New York City, under the firm name of Jed L. Hamburg Co.

The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
Retail Trade
Food Price Index
Auto Production
Business Failures
Commodity Price Index

Industrial production rose somewhat further in August and construction activity remained at the advanced July level, says the September *Federal Reserve's National Summary of Business Conditions.* While employment in nonfarm establishments continued to increase, the unemployment rate remained at the high level prevailing since December. Sales at retail stores changed little from July. The money supply was unchanged, but time deposits continued to increase substantially. Bond yields generally showed little change.

Industrial Production

Industrial production rose in August to 113% of the 1957 average, compared with 112 in July and 102 at the low of last winter. Output of industrial materials increased slightly further. Among final products, output of business equipment advanced to a new high and consumer goods production was maintained at the record level reached in July.

Output of apparel and most home goods remained at advanced rates in August while output of television and home radios declined. Auto assemblies were maintained after allowance for the earlier model changeover this year. Production of commercial and industrial machinery rose further.

Output of durable materials continued to expand in August. Steel mill operations rose only seasonally, however, as demands were limited by the earlier automodel changeovers and the possibility of work stoppages at auto plants. In early September, with a new labor contract in prospect in the auto industry, steel mill operations showed more than seasonal gains.

Construction

New construction activity changed little in August from the revised July rate and, at a seasonally adjusted annual rate of $58.3 billion, was 3% above the average in the second quarter of this year and equal to the record high reached in mid-1959. In August, highway construction rose for the third successive month and residential construction, which began to advance in March, also edged higher. Activity on military facilities declined following some increase in July.

Employment

Employment in nonfarm establishments rose slightly further in August, despite a large reduction at automobile plants reflecting the early model changeover this year. Employment continued to increase in the metal and machinery industries and in retail trade. Employment in finance and state and local government rose to new highs. Seasonally adjusted unemployment rate, at 6.9% remained at the high level prevailing since December.

Distribution

Sales at retail stores changed little in August. Department store sales remained close to the advanced level reached in July. Sales of new autos declined further, with the 1961 model year coming to an end and inventories not burdensome. At the end of August, dealer stocks of new autos were one-fourth below a year earlier.

Agriculture

Major improvements in prospect for feed grains, oilseeds, and cotton during August raised the Department of Agriculture's September 1 crop production forecast 3% from a month earlier to 116% of the 1947-49 average. At this level, crop production would be 4% under last year's record. A corn crop of 3.5 billion bushels is in prospect compared with 3.9 billion bushels in 1960; while acreage was reduced 18% from last year, largely by the feed grain programs, yields are expected to be 11% higher.

Commodity Prices

The wholesale commodity price index showed little change in August and early September. Prices of scrap metals, tin, and a few other sensitive materials increased somewhat, but average wholesale prices of industrial commodities were stable. Wholesale prices of meats rose moderately, reflecting seasonally smaller supplies.

Bank Credit and Reserves

Total commercial bank credit declined slightly in August following an increase of almost $3 billion in July that was associated mainly with Treasury financing. In August, bank holdings of U. S. Government securities declined only moderately while holdings of state, local, and other securities rose further and loans changed little. The average money supply, seasonally adjusted, remained at the level prevailing since early spring. Time deposits continued to increase substantially.

Member bank excess reserves averaged about $585 million and borrowings from the Federal Reserve averaged about $50 million over the four weeks ending Sept. 6. Both excess reserves and borrowings were about the same as in the preceding four-week period. Between early August and early September reserves were absorbed principally through currency and gold outflows and were supplied through Federal Reserve purchases of U. S. Government securities. Required reserves declined somewhat.

Security Markets

Yields on medium- and long-term bonds generally changed little from mid-August through the first week in September. Following a Treasury announcement on Sept. 7 of an advance refunding of bonds maturing in 1970 and 1971 into bonds maturing in 1980, 1990, and 1998, long-term Treasury bond yields rose almost five basis points to new highs for the year.

Treasury bill yields declined from mid-August to mid-September. On Sept. 7, the Treasury announced also that in the next two months it will raise about $5 billion of new money by issuing short-term securities. This financing includes $2.5 billion of June tax anticipation bills, about $2 billion of notes maturing in the spring of 1963, and an increase of $500 million in the Oct. 15 issue of one-year bills.

Common stock prices have shown little net change since mid-August when they reached new highs.

Bank Clearings for Week Ended Sept. 16 Were 2.7% Below for the Same Week Last Year

Bank clearings last week showed a decrease compared with a year ago. Preliminary figures compiled by the *Chronicle*, based on telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Sept. 16, clearings from all cities of the United States from which it is possible to obtain weekly clearings was 2.7% below those for the corresponding week last year. Our preliminary totals stand at $28,307,538,958 against $29,097,191,671 for the same week in 1960. Our comparative summary for the leading money centers for the week follows:

Week End. Sept. 16—	1961 (000's omitted)	1960 (000's omitted)	%
New York	$15,124,321	$15,451,294	— 2.1
Chicago	1,337,064	1,486,202	—10.0
Philadelphia	1,144,000	1,143,000	+ 0.1
Boston	786,742	765,440	+ 2.8

Auto Strikes Will Hurt Steel Production for September

Auto strikes will cut deeply into September steel shipments, the *Iron Age* says. Even a settlement of General Motors' farflung plant strikes this week would cut nearly 190,000 cars from September production schedules.

Furthermore, the possibility of similar local labor troubles at Ford and Chrysler cannot be dismissed. Ford and Chrysler are still negotiating under extended contracts with the United Auto Workers.

The magazine says by early this week, GM's local strikes had cost the company about 130,000 cars (assuming a production schedule of 13,000 a day). At the very earliest, production could not be resumed before next week. Although many plants have settled their issues, some are prevented from operating by strikes at other GM supplier divisions.

This week, the strike had not cut into steel production, although some shipments of steel (particularly by truck) had been held up by GM. But if the strikes are not settled by early next week, some steel orders scheduled will have to be held up. Setbacks will expand each day the strikes last.

The magazine points out that the auto strikes do not threaten the overall steel market. Instead, the demand for steel in October and November will intensify as GM tries to make up for lost ground. In addition, steelmakers have consistently doubted that fall automotive steel orders are large enough to meet ambitious auto schedules.

To further complicate the delivery situation in weeks to come, auto parts makers have been uncertain of demands and have not built up great stocks of steel. The one-two punch of automakers and suppliers in October and November will assure a first-class scramble for tonnage.

On the general steel market, demand continues to advance on a broad basis. October bookings from automakers were strong, but not up to hopes, prior to labor troubles. Inventory building is past its initial phase and growing. Prices at the warehouse level are firming up a bit. Mills are filling books at a good rate even without

Continued on page 41

Control Data Stock Offered

Dean Witter & Co., and associates are making a public offering of 300,000 common shares of Control Data Corp., at $33 per share. Net proceeds will be used by the company for the repayment of bank loans and working capital.

The company of 501 Park Ave., Minneapolis, Minn., is engaged in the design, development and manufacture of systems, equipment and components used in electronic data processing and automatic control for military, scientific and industrial uses.

Larry Lee Opens

Larry Lee is engaging in a securities business from offices at 25 Broad Street, New York City, under the firm name of Larry Lee Company.

Long Island Assoc. Opens

SYOSSET, N. Y.—David Kaback and Martin Wasserman have formed Long Island Associates with offices at 200 Martin Drive to engage in a securities business.

Theile & Towbis Opens

Theile & Towbis & Co., Inc. is engaging in a securities business from offices at 350 Broadway, New York City.

Form Electronic Inv.

Julius Polinger is conducting a securities business from offices at 550 Fifth Avenue, New York City, under the firm name of Electronic Investment Co.

Frankfurt-Zurich Secs.

Frankfurt-Zurich Securities Co. has been formed with offices at 219 West 81st St., New York City, to conduct a securities business. Partners are Ernest Apfelbaum and Edward S. Kanbar.

NSTA NOTES

NATIONAL SECURITY TRADERS ASSOCIATION


Charles A. Bodie, Jr.


Earl Hagensieker


Alfred F. Tisch


Sidney J. Sanders


Allen L. Oliver, Jr.

The following slate of officers for 1962 has been presented to the members of the National Security Traders Association, and will be voted upon at the annual meeting in October.

President: Charles A. Bodie, Jr., Stein Bros. & Boyce, Baltimore.

First Vice-President: Earl L. Hagensieker, Reinholdt & Gardner, St. Louis.

Second Vice-President: Alfred F. Tisch, Fitzgerald & Company, New York.

Treasurer: Sidney J. Sanders, Harris, Upham & Co., Seattle.

Secretary: Allen L. Oliver, Jr., Sanders & Company, Seattle.

Members of the Nominating Committee were Edward J. Kelly, Carl M. Loeb, Rhoades & Co., New York, Chairman; George H. Angelos, Chas. W. Scranton & Co., New Haven; J. Ries Bambenek, Dallas Union Securities Co., Dallas; Morton A. Cayne, J. N. Russell & Co., Inc., Cleveland; Edgar Christian, Suplee, Yeatman, Mosley Co., Inc., Philadelphia; John P. O'Rourke, Jr., John P. O'Rourke & Co., Chicago; and Donald E. Summerell, Wagenseller & Durst, Inc., Los Angeles.

N. J. Dealers to Launch Education Program

BLOOMFIELD, N. J.—A public education program directed to informing the public about investment services offered by New Jersey firms, has been adopted by the New Jersey Association of Investment Dealers, J. William Weller, J. W. Weller & Co., temporary chairman, has announced.

The program will highlight the services offered and the capabilities of the more than 400 investment dealers in the state.

The New Jersey Association of Investment Dealers is a membership organization dedicated to maintaining the highest ethical standards in the investment industry, to promote closer cooperation between government agencies and securities dealers, and to increase the understanding of investment counselling services to the general public.

TAX-EXEMPT BOND MARKET

Continued from page 6

debtedness. The unsold balance yesterday afternoon was $8,957,000.

Also on Tuesday, $25,893,000 State Public School Building Authority of the Commonwealth of Pennsylvania (1962 - 2000) bonds were awarded to the group managed jointly by Drexel & Co., Harriman, Ripley & Co., Inc., The First Boston Corp. and Kidder, Peabody & Co. Among the other major underwriters were Smith, Barney & Co., Blyth & Co., Inc., Lehman Brothers, Equitable Securities Corp. and Alex Brown & Sons. The bonds were scaled to yield from 1.70% to 3.85% in 1997. The 1998 maturity carried a 3% coupon and was priced to yield 4.00%. The last two maturities bore a one-tenth of 1% coupon and were reoffered to yield 4.60%.

These obligations are secured by a first lien on the annual rentals payable by local school districts to the Authority. Upon initial reoffering about 80% of the bonds were sold and the present balance is $3,397,000.

Milwaukee, Wisconsin also sought bids on Sept. 19 for $7,250,000 general obligation (1962-1976 bonds. The high bid for the issue was submitted by the group headed by The First National City Bank of New York and including the Harris Trust and Savings Bank, The First Boston Corp., Merrill Lynch, Pierce, Fenner & Smith Inc., R. W. Pressprich & Co., Wertheim & Co., and others. The bonds were scaled to yield from 1.50% to 3.10%. Good interest has been accorded the "AAA" issue and presently $1,880,000 of the bonds remain in account.

The final issue of importance to sell on Tuesday was $8,000,000 Sacramento, California Water revenue (1962-2000) bonds. The group managed by The First Boston Corp. and including as majors, Lehman Brothers, Eastman Dillon, Union Securities & Co., Shields & Co. and Bear, Stearns & Co. was awarded the bonds. Priced to yield from 1.60% to 3.80%, about $5,119,000 of the bonds are out of account at this writing.

Week's Major Award

On Wednesday, Sept. 20, the week's largest issue, $42,940,000 City of New York various general obligation (1962-1976) bonds came to market. Two groups submitted bids for the bonds and the award was made to The First National City Bank of New York account which included among the many majors the Bankers Trust Co., the Morgan Guaranty Trust Company of New York, Smith, Barney & Co., The First Boston Corp., Harriman, Ripley & Co., Inc. and Halsey, Stuart & Co., Inc. The largest portion of the loan, $15,840,000, will be used for funding the heavy expenses incurred by the city for snow and ice removal during the several paralyzing storms of last winter. The issue was scaled to yield from 1.70% to 3.50% for a 2¾% coupon. At the end of the initial order period, the bonds were about two-thirds sold.

Also on Sept. 20, $18,000,000 Los Angeles, California, Department of Water and Power, Electric Plant revenue (1962-1991) bonds were awarded to the syndicate managed jointly by Glore, Forgan & Co. and C. J. Devine & Co. and including Stroud & Co., Francis I. duPont & Co., First of Michigan Corp., Ira Haupt & Co. and others. The reoffering scale carried yields from 1.60% to 3.70%; upon initial reoffering less than half of the bonds were spoken for.

The toll road issues have been active during the past week with interest centering mainly in the higher coupon issues. However, fluctuations have been narrow and the *Smith, Barney & Co.* toll road yield Index averaged at a 3.89% yield when last sampled on Sept. 14. On Sept. 7 the Index was 3.88%. Revenues continue to show gains with but few well noted exceptions.

Chicago Inv. Analysts Luncheon Meetings

CHICAGO, Ill. — John N. Hart, Vice-President and Controller of the B. F. Goodrich Company, will be guest speaker at the luncheon meeting of the Investment Analysts Society of Chicago, to be held Sept. 21 at the Midland Hotel.

Other meetings scheduled by the Society are Sept. 28 at which Zenith Radio will be discussed; Oct. 19, American Photocopy Equipment; Oct. 26, Cessna Aircraft Co.; Nov. 9, Utility Industry Review; Nov. 16, Armco Steel Corp.; Nov. 30, S. D. Warren Co.; Dec. 14, American Cyanamid Co., and Dec. 21, Forecast Forum.

Form Hudson Valley Plan'g

POUGHKEEPSIE, N. Y.—Hudson Valley Planning Inc. has been formed with offices at 27 Academy Street, to engage in a securities business. Officers are Bernard Handel, President; Estelle Handel, Vice-President and Treasurer; Roy A. Morgan, Vice-President, and Joseph H. Gellert, Secretary.

New Westheimer Office

COLUMBUS, Ohio — Westheimer & Company has opened a branch office at 31 East Gay Street under the management of John Bernard.

Now Ben-Lev, Krichmar

The firm name of Selected Investors, Inc., has been changed to Ben-Lev, Krichmar & Posner, Inc. and offices are now at 90 John Street, New York City.

I. Y. Harris Opens

FOREST HILLS, N. Y. — Irwin Yale Harris is conducting a securities business from offices at 70-35 Austin Street.

Forms Island Secs.

GARDEN CITY, N. Y. — Jack Shapiro is engaging in a securities business from offices in the Bennett Building, under the firm name of Island Securities Co.

Now Proprietor

LAKE WALES, Fla. — Robert L. Johnson is now sole proprietor of Johnson-Tillman Investments, Market Street and Orange Ave.

Norman Klein Opens

BUFFALO, N. Y. — Norman W. Klein is engaging in a securities business from offices at 3580 Harlem Road.

Ross, Low to Admit

On Sept. 28 Adele Low Jacobs will be admitted to partnership in Ross, Low & Co., 120 Broadway, New York City, members of the New York Stock Exchange.

Solomon Research Dir. For Zuckerman, Smith

Herbert E. Solomon has become associated with Zuckerman, Smith, & Co., 30 Broad Street, New York City, members of the New York Stock Exchange, as director of research.

Now Lenchner, Covato

PITTSBURGH, Pa. — The firm name of Bruno-Lenchner, Inc., Bigelow Building, has been changed to Lenchner, Covato & Company Incorporated.

THE MARKET . . . AND YOU

BY WALLACE STREETE

Technically the stock market has been behaving poorly. Fundamentally, business looks excellent but, politically, that's the perennially troublesome, completely unpredictable area.

This week a weak market was hit by the totally unexpected. When Secretary General Dag Hammarskjold of the United Nations died Monday, the investor—like most free people—feared for the state of the world. International politicking at its seamiest threatened to engulf the world peace organization.

This was just one more piece of bad news for an investment community which had been hoping for just one ray of brightness. The market was technically vulnerable. On top of the lingering auto strike, the attacks on business by the trustbusters, and the festering Berlin crisis, the common stock investor had to cope with the vagaries of the stock market averages.

The Psychological D-J

From Monday on, the Dow-Jones industrials started to penetrate one key resistance point after another. To some followers of various market theories this indicates further weakness and in effect flashes a sell signal. To others, the nontechnical included, the troublesome behavior of a much-watched indicator is a pest. They know its psychological effect on other investors and though, not fearing chart actions themselves, they, too, decide to follow the pack.

The DJI pierced 714, then 710, and when it got close to 700, many brokers were worrying about further psychological deterioration. Some say a decisive penetration of 700 on heavy turnover would forecast a drop to the 685 level. What irritates them mostly is the fact that 700 (like 600 before it) has come to symbolize a historic turning point to the investing public—even among people who have little idea of just what is included in the often-quoted barometer.

Its blue chip members turned in some disappointing performances these past few days. There were sessions when just one or two managed to end with a plus sign after their well-respected names. And then the gain was usually a fraction.

Yesterday's Heroes on Downgrade

If investors were playing down these giant industrials, were they going into the so-called "glamour" stocks? Not according to most available statistics. In fact some respected observers pinned the present market weakness squarely on the wonder workers. They cited long lists of glamorous equities in the fields of leisure-time products, electronics and vending machine manufacture. Transitron, for instance, may have looked good to some chartists because of its relative cheapness as measured by a drop from the heights but industry observers said they expected continuing trouble from stiff competition and price weakness among semi-conductor makers.

Except for a few isolated cases that other important spaceage field of aircraft-missile production was depressed, despite the increasing threat of war.

The exceptions came when the government announced a string of new military contracts. The Pentagon spending plans disturbed a few of the truckmakers when competitors like F. M. C. Corp. (the old Food Machinery & Chemical) and the Cadillac Division of General Motors were favored with orders for armored vehicles.

Investors Mutiny

Movie stocks were another recently favored group to feel the lash of profit-taking and six-month tax selling. Metro-Goldwyn-Mayer was especially hard hit, probably because it had been one of the most widely-recommended of the entertainment stocks. There are fears in trade circles now that its epic "Mutiny on the Bounty" might cost as much as $19 million.

Other 1961 favorites came under attack. Standard Kollsman was studied by the chart readers for some clue to its weak behavior while the fundamental-minded said they could spot no corporate reason for its decline. Then there were sharp setbacks in such stocks as Crown Cork & Seal, down six points on Tuesday alone, as profit-taking took much of the starch out of this highly-rated packaging outfut. Rumors that it might combine with a can company have been circulating but possibility of anti-trust action seemed to preclude such a move, the Street was saying.

The Antitrust Assault

The big shock of the week came in two oil companies whose assets are on the caution block. On Tuesday, the government said the proposed sale by Honolulu Oil to Tidewater Oil Co. and Pan American Petroleum Corp. (an affiliate of Standard of Indiana) would hurt smaller, less diversified producers. Sell orders swamped the exchange floor right after the announcement and the governors suspended trading in Honolulu Oil for the day.

A long lawsuit seems to be coming. Within one day the stock plummeted 15 points, mainly on the basis of the possibility of years of litigation. Argo, believed to be considering a similar asset sale, was hit hard, too.

A Good Performer

Oddly enough in this week's market, steels seemed to be doing worse than autos — and mainly because of the auto strike. The carmaker's stocks themselves had some bright moments with Studebaker-Packard again a volume leader on fresh Wall Street estimates of a profitable fourth quarter, a buildup in military backlog and prospects for Lark sales. As it climbed over 12 once again (several weeks ago it was at eight), technicians said they spotted a new move to the 16 level.

Steels slumped on fears that a prolonged strike among the auto-workers would cut back demand for their product at a key time when the mills are talking optimistically but struggling to keep up their shipments.

Gold and silver stocks got some play and, aside from any speculation about the balance of payments and the gold outflow, the big reason appeared to be investor uncertainty over the world situation.

As one midtown broker phrases it: "In times like these people would like to have a little gold to take along into their bomb shelters."

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Form First Miami Secs.

MIAMI, Fla.—First Miami Securities Corporation has been formed with offices at 1140 Northeast 111th Street to engage in a securities business. Benjamin Ogurek is a Principal of the firm.

Boston Inv. Club To Hear Faulkner

BOSTON, Mass.—The Boston Investment Club will begin its Fall season with a dinner meeting at the Harvard Club on Thursday, Sept. 28, at 5:30 p.m. The speaker will be the distinguished financial analyst, Mr. Dwight F. Faulkner, managing partner of Faulkner, Dawkins & Sullivan, which he helped form in 1959 to specialize in the servicing of financial institutions. Mr. Faulkner is also a member of the New York Society of Security Analysts, and his topic for the meeting will be "Investing for Growth in a Competitive Economy."

Dwight F. Faulkner

The Security I Like Best

Continued from page 2

earnings gains in each of the last ten years. Sales have grown from $22.1 million in 1951 to $59.9 million in fiscal 1960, a gain of 170% while net earnings per share have increased 215% from $.60 to $1.89 in the same period. Sales for the fiscal year ended August 31, 1960 showed an increase of 14.5% and earnings also increased by the same percentage. Results for the fiscal year ended August 31, 1961 are not yet available, but it is anticipated that they will show an increase in sales and earnings.

While Duffy-Mott's price earnings ratio is in line with similar food equities, its growth rate has been at least twice that of the industry. The company has had a long and profitable history in the food business. In conclusion, I think this stock is attractive for investors seeking growth of income and the prospect of long-term capital growth in an industry noted for its stability and defensive characteristic. Recently selling at 45, the stock currently pays a dividend of $1.00.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

The Administration and public power advocates in Congress are preparing a vast new expansion of Federal electric power projects which could result eventually in a Federal power monopoly.

Plans are underway for development of a national system of transmission lines, nuclear power plants, and the production of electric power for its own sake rather than as a mere by-product of flood control and irrigation dams.

These plans stem from President Kennedy's special message on natural resources in which he said:

"I have directed the Secretary of the Interior to develop plans for the early interconnection of areas served by the Department's marketing agencies with adequate common carrier transmission lines; to plan for further national cooperative pooling of electric power, both public and private, and to engage such pooling as now exists."

The result of such expansion could not only jeopardize the future of investor owned utilities, but could add new tax burdens. The government would use its tax revenues to force down electric power rates to the point where private firms could not compete. This does not mean "cheap" power, as the public advocates say. It simply means that part of the consumer's electric bill would be transferred to his tax bill. It also means that he, instead of the private utilities, would help pay the cost of power plants and equipment, and that taxes normally paid by utilities would be transferred to taxpayers generally.

Five Federal agencies are at the core of the planned expansion of Federal power. These are the Bonneville Power Administration, in the Pacific Northwest, the Southwestern Power Administration, the Southeastern Power Administration and the Bureau of Reclamation. All four are in the Department of Interior. The fifth is the Tennessee Valley Authority, a separate Federal agency. All except the Southeastern Power Administration operate power transmission lines.

Plans under study call for:

Construction of a 1,000-mile, high-voltage line to conduct surplus power from Bonneville to southern California. It is hoped the marketing of this surplus power would pull Bonneville out of the red.

The Bureau of Reclamation to construct additional inter-ties in the Upper Colorado River Storage project, a Federal power and water system now being built in Colorado, Wyoming, Utah, Arizona and New Mexico. These inter-ties would connect with the Missouri River basin, the Parker-Davis-Hoover dam system in southern Nevada and the Rio Grande project in New Mexico. Five investor-owned utilities have offered to build these transmission lines at a saving to the Government of $134 million. The Interior Department turned them down.

Inter-ties between Bonneville and the Missouri river basin and Southwestern Power Association.

A probable next step would be tying TVA and Southwestern Power Administration to the regional power systems of the Western states.

Legislation calling for a $95 million, 800,000 kilowatt steam electric generating plant to be built in connection with the plutonium production reactor at Hanford, Wash., would inject the Federal Government further into competition with investor-owned utilities.

It also would be the first major Federal generation of electric power from nuclear energy, and place the Atomic Energy Commission which will operate Hanford, alongside the Interior Department, as a major producer of Federal electric power. Other ties-ins doubtless would be asked. The House has rejected the reactor, okayed the Colorado project.

Occidental Petr. Rights Offering To Stockholders

Occidental Petroleum Corp. is offering to holders of its common stock rights to subscribe for $3,930,130 of 6½% sub-ordinated convertible debentures, due Oct. 1, 1976 at par, and accrued interest from Oct. 1, 1961, at the rate of $100 principal amount of debentures for each 100 shares of common stock held of record Sept. 15, 1961. The subscription offer will expire on Oct. 3, 1961.

Allen & Co. is manager of the underwriting group.

Net proceeds from the financing will be used by the company to drill wells in the Arbuckle Extension Area and the West Grimes Area, both in Colusa County, Calif. The balance of the proceeds will be added to working capital and used for exploratory and development work and for general corporate purposes.

The debentures are convertible into common stock after April 1, 1962 until maturity at $8.50 per share, subject to adjustment under certain circumstances. They are redeemable at redemption prices ranging from 106½% beginning in 1962 to par, and for the sinking fund at 100%, plus accrued interest in each case.

The company with principal executive offices in Los Angeles, Calif., is engaged in the acquisition and development of oil and gas properties and the drilling for and producing of crude oil and natural gas. Current production of oil is primarily centered in California and current production of natural gas in California and New Mexico. The company also has crude oil and natural gas producing properties in Oklahoma and properties in Colorado capable of producing natural gas.

Joins Dempsey-Tegeler

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—John H. Sickel has become associated with Dempsey-Tegeler & Co., Inc., 210 Seventh Street. He was formerly with J. A. Hogle & Co. and Walston & Co., Inc.

L. Silverstein Opens

FOREST HILLS, N. Y.—Lawrence Silverstein is conducting a securities business from offices at 70-35 Austin Street.

BANK AND INSURANCE STOCKS

This Week — Insurance Stocks

THE 1961 BULL MARKET IN LIFE INSURANCE STOCKS

Life insurance stocks have outperformed almost every major stock market group during 1961. The leading life insurance stock indices have posted gains of over 50% from the year-end and over 75% from the market lows of late last year. Many individual life stocks have doubled or even tripled in value over the past 12 months.

Life Insurance Stock Prices

STOCK—	Dec. 31, 1960	Sept. 13, 1961
Aetna Life	97	131
Bankers National	22	52
Beneficial Standard	15	40
Business Men's Assurance	31	84
Citizens Life	10	39
Commonwealth Life	21	50
Connecticut General	200	270
Continental Assurance	120	189
Franklin Life	61	119
Government Employees Life	43	113
Gulf Life	18	37
Jefferson Standard	42	77
Kansas City	1,340	2,525
Liberty National	39	87
Life of Virginia	57	109
Lincoln National	92	142
Monumental	45	81
National Life & Accident	114	193
Philadelphia	50	93
Quaker City	42	72
Republic National	33	74
Southwestern Life	53	110
Travelers	93	140
U. S. Life	34	71

Buying by both the general public and institutional investors is evident in the rush to life insurance stocks this year. Life equities are currently one of the "glamour" groups of the stock market which have had unusual attention in the extremely selective stock market of recent years. This market selectivity has been evident in the sharp run-up in the prices of the stocks of the electronic, publishing, cosmetic, and savings and loans groups. Interest in life stocks was spurred by the huge secondary sales of stock in Aetna Life, Travelers, and Connecticut General this spring. These offerings focused attention upon the investment merits of the entire industry as investors searched for relatively attractive stock market values. As the over-the-counter trading market for life stocks is quite thin, with a limited supply of stock available in most cases, the buying interest has resulted in spectacular price rises.

The new interest in life stocks reflects both the rediscovery of the industry's continuing growth patterns and recognition of the recent favorable developments within the industry. Total life insurance in force in this country has increased faster than disposable income each year in the postwar period as life insurance per family has risen to over $10,000, more than three times the 1945 figure. Profits of life insurance companies have benefited from the improvement in mortality, the cost savings of automation, and the steady increase in investment income.

Many life insurance companies made consistent gains in earnings from 1955 through 1960 without market value appreciation. However, in recent months, these same companies, without any marked change in profitability, have made sizable stock market gains as life insurance stocks became popular.

Investors seemed to have been impressed by the life insurance industry's ability to absorb the higher taxes that were imposed upon it by the Life Insurance Income Tax of 1959 with only a temporary setback in the rate of earnings growth. Most life companies established earnings gains in 1960, despite the intense competitive conditions existing within the industry and the national economic recession. Further earnings gains of 10-25% are indicated for 1961. The recent Connecticut General decision, which weakened the barriers against life insurance companies engaging in fire and casualty operations, is also a favorable development, as the trend to all-line underwriting and one-stop buying in insurance continues.

The future of the industry appears bright. The growth in life insurance in force is expected to continue at a rate in excess of that of disposable income and the national economy. There is no substitute for life insurance and its value has been clearly established in the minds of the consumer. In addition, the potentials of the variable annuity to the industry are enormous. The only threats to the industry's growth projections are the possible development of runaway inflation and war.

The life insurance industry, however, is not without its problems. Competition is increasing and underwriting standards have been lowered while premium rates have declined through the introduction of new policies such as the graded premium and the family policies. In addition, the trend is to term and group life insurance, which are the least profitable types to the underwriter. While continuing gains in investment income are anticipated, mortality experience is expected to remain at the present level unless there is a major medical breakthrough in the cure in cancer and/or heart disease. In this competitive environment, the selection of life insurance company stocks for investment is of the utmost importance as the results of individual companies will vary widely.

In conclusion, carefully selected life insurance stocks are likely to be valuable long-term investments in view of the growth prospects of the industry. However, investors should be aware of the short-term dangers of purchasing a stock or a group of stocks after a strong market rise. One should remember that purchases of many life insurance stocks at the peak of their last bull market in 1954-55 were forced to wait until recent months to record a profit on their investment.

Selected Insurance Stocks

STOCK—	Recent Price ($)	Est. Book Value* 12-31-60 ($)	Est. 1960 Earnings* ($)	Price Earnings Ratio	Est. Dividend	Yield (%)
Aetna Life	131	87	7.10	18.5	1.60	1.2
Business Men's Assur.	84	27	3.10	27.0	0.40	0.5
Commonwealth Life	50	17	2.15	23.3	0.24	0.5
Connecticut General	270	120	10.30	26.2	1.40	0.5
Continental Assur.	189	50	4.80	39.5	1.00	0.5
Franklin Life	119	30	4.00	29.8	0.50	0.4
Gulf Life	37	18	2.15	17.3	0.60	1.6
Jefferson Standard	77	40	3.40	22.6	1.00	1.3
Kansas City Life	2,525	1,650	137.00	18.4	14.00	0.5
Liberty National	87	15	2.60	33.4	0.35	0.4
Lincoln National	142	80	7.75	18.3	0.80	0.6
Monumental	81	66	6.50	12.4	1.10	1.3
Nat'l Life & Accident	193	80	8.40	23.0	0.60	0.3
Travelers	140	88	7.60	18.4	1.60	1.1
U. S. Life	71	15	2.40	29.7	0.20	0.3

*Adjusted for equity in life insurance in force.

Economic Progress in Canada's Far North

Continued from page 5

ores in volumes of up to eight million or so tons of concerates a year is the Quebec Cartier Mining Co., a subsidiary of the U. S. Steel Corp., which has built its own separate harbor facilities for this purpose a few miles to the west of the present docks at Seven Islands but in the harbor area. Cartier's harbor may be described as a harbor within a harbor.

The Cartier harbor is actually cut out of solid rock in a dimension big enough to serve two ore-carriers the size of the Cunard Line's famous S.S. Queen Mary, luxury passenger ship of the Atlantic. The Cartier harbor is so engineered, too, that eventually it can be easily expanded to accommodate four vessels of that size. Like Iron Ore Co.'s Seven Islands shipping facilities, the Cartier harbor is served by its own railroad, hauling ores from Gagnon, nearly 200 miles to the north. Iron Ore's railroad carries ores over 300 miles to Seven Islands.

Cartier sent trial cargo of its iron ore concentrates to the U. S. Steel's Fairless Works via Philadelphia in July and full-scale shipments of ore are expected now to be made by Cartier before the end of the year. The Cartier product up to now is only a concentrate that resembles the consistency of sugar.

Iron Ore Co. of Canada's Carol Lake project—in which the Bethlehem Steel Corp. has a big interest and which should start making ore shipments by the end of next year—will be producing a pelletized product. The Carol Lake shipments which are expected to total some six million tons a year will move through Seven Islands.

Wabush Iron Co.

At a point in the Harbour of Seven Islands about midway between Iron Ore Co.'s docks and Cartier's shipping facilities, another company, the Wabush Iron Co.—like Iron Ore Co. a consortium of Canada and U. S. steel and iron ore interests—is spending $20 million this year on the construction of its own wharves at Pointe Noire and other facilities there and at its mines in Western Labrador in preparation for shipping some six million tons of iron ore to market each year starting in about 1965.

Wabush will be mining its ores from deposits leased from Canadian Javelin, an ore exploration company. Steel Co. of Canada has disclosed that it expects to derive a major portion of its iron ores in the future from Wabush. Part of the Pointe Noire development consists of a 20-mile railroad being built as a spur from the tracks of the Quebec, North Shore & Labrador Railroad owned by the Iron Ore Co.

Ice-Free Port of Baie Comeau

A short distance on the North Shore upstream from Seven Islands is another fast developing port, Baie Comeau, center at the present time for a number of industries basic to the economy not only of Quebec but of Canada. Like Seven Islands, Baie Comeau is ice-free in the winter, permitting a-year-round shipment of the products of the area to world markets.

Aluminum has been for a long time an important item of export from the Upper Saguenay River in the same region, where Aluminium Co. of Canada possesses the greatest single concentration of aluminum-producing facilities in the world. Aluminum is also an important item of export from Baie Comeau where Canadian British Aluminium, a Reynolds Metals enterprise, has a big smelter.

Cargill Grain & Co.'s wheat elevators at Baie Comeau have a capacity of 12 million bushels and it is expecting that some 50 million bushels of Canadian and American grain might be handled there yearly. Newsprint is also an important item of export from the region around Baie Comeau. It is no wonder therefore that a $5 million expansion is currently under way there, that includes the construction of two new wharves and the lengthening of the present federal wharf by 1,000 feet.

A great part of the importance of the whole North Shore to commerce and trade arises from its tremendous hydro-electric potential of great rivers being harnessed there. On top of the hydro-electric projects of Alcan on the Saguenay and adjoining rivers, Quebec Hydro has of course harnessed the Berminis River and is in the process of bringing some generating capacity on the Manicouagan River.

One of the Fastest Growing Areas

The Gulf and Lower St. Lawrence region is one of the fastest growing areas of Canada. The population of the region, comprising the Gaspe Peninsular and the South Shore as well as the North Shore, is now over 500,000. But by 1970, however, the North Shore alone is expected to see a population gain from the present 100,000 to about 160,000. Iron ore shipments from the region will possibly total 35 million tons annually by 1970.

Total shipment handled by the Gulf and Lower St. Lawrence ports may easily reach 50 million tons by the end of the present

decade. Within the next five years, winter shipments from and to the same ports should reach 5 million tons. Last winter, shipments through Cabot Strait are reported to have exceeded 1.5 million tons.

The past winter of 1960-1961 is going down in the annual of Canadian experience as the "season of the big freeze," too. Conditions in the St. Lawrence River, Gulf of St. Lawrence and Maritimes-Newfoundland waters were the worst on record. The icebreakers — between Dec. 15 and May 29 — escorted 240 ships through the ice-choked waters and gave assistance to an additional 189 ships sufficient to enable them to proceed safely on their journeys. Apart from these ships, many fishing vessels were also given assistance from time to time.

Indicative also of northern economic development in Canada was the official opening of the new town of Inuvik in the Northwest Territories on July 21, established pretty much to replace Aklavik, gradually sinking into the thawing perma-frost at the mouth of the Mackenzie River. Equally significant was the announcement of the Federal Government of Canada four days later it had decided to construct a new Arctic townsite at Frobisher Bay at the other end of northern Canada to serve as the government's administrative center in the Eastern Arctic.

Roads to Resources Program

Meanwhile, of course, the Federal Government's "Roads to Resources" program is making progress in Canada, largely in the north. This program is not designed to assist the provinces to meet their normal highway commitments but rather an offer to help on a 50-50 basis with roads that otherwise would never have been built, roads leading to "promising" areas. As the program stands to date, the Federal and Provincial Governments are making, jointly, an $145 million investments "roads with a future."

To hasten this future also, the Geological Survey of Canada this year placed 102 parties in the field—13 of them in every province north of the 60th parallel and the islands of the Arctic Archipelago — "to produce a reconnaissance or preliminary broad picture and interpretation of the geology of all of Canada as soon as possible."

Highlights of the 1961 program included Operation Leaf River in northern Quebec in which five geologists and two student assistants are working on the mapping of 50,000 square miles on a reconnaissance scale and completion of the cooperative geological mapping project with the Government of Ontario in the Patricia District of northwestern Ontario in connection with the Federal Government's Road - to - Resources program.

Other highlights of this Department of Mines and Technical Surveys' activity has included Operation Ogilvie in the Ogilvie Mountains in the Yukon in which two staff geologists are doing reconnaissance mapping over a 14,000-square mile area and the first phase of a two-year geological reconnaissance of Axel Heiberg and northwest Ellesmere Island in the Archipelago.

British-American Const. & Materials Securities Sold

P. W. Brooks & Co. Inc. is manager of an underwriting group which is offering today (Sept. 21) $3,500,000 (U. S.) debentures, 6% sinking fund series due 1981 with detachable 8-year common stock purchase warrants, and 300,000 common shares, of British-American Construction & Materials Limited. The debentures are offered at 100% and accrued interest from Aug. 1, 1961, and the common stock is priced at $15 per share (U. S.). The common shares are being sold for certain officers and directors of the company, who will continue to hold 653,719 shares, or 65.4% of the outstanding stock.

Net proceeds from the sale of the debentures will be used by the company for the construction of a central equipment repair center to replace two smaller facilities; acquisition of additional manufacturing facilities and quarrying and construction equipment; payment of loans from certain individuals and the balance of a bank loan; retirement of current bank loans. The balance of the proceeds will be added to working capital. Except as noted, all dollar figures are expressed in Canadian dollars.

The company, with headquarters in Winnipeg, Manitoba, Canada, is a widely diversified and well integrated enterprise in the construction industry in Western Canada, engaged principally in heavy construction (47%); manufacture and distribution of building supplies (33%), and the sale of improved land (17%). The company owns and operates its own sand and gravel pits, limestone quarries and rock crushing facilities and manufactures ready-mixed concrete, concrete sewer pipe, concrete block, pre-cast and pre-stressed beams, piles and other building members, mortar, stucco and other lime products. The company believes it is the largest construction firm in Manitoba engaged in the combined fields of concrete and asphalt paving and the installation of sewer and water lines and that in its other construction activities ranks among the more important heavy construction companies operating in Western Canada.

$25,893,000 Pennsylvania Bonds Offered

Drexel & Co., Harriman Ripley & Co., Incorporated, The First Boston Corporation and Kidder, Peabody & Co. were joint managers of the group that offered publicly on Sept. 19 an issue of $25,893,000 Commonwealth of Pennsylvania State Public School Building Authority 6, 5½, 3.30, 3.40, 3½, 3.60, 3.70, 3¾, 3, and 1/10 per cent school lease revenue bonds, series F, at prices to yield from 1.70% for those due Nov. 1, 1962 to 4.60% for the 1999-2000 maturities. The group was awarded the issue at competitive sale on a bid of 98 for the combination of coupons, a net interest cost of 3.685%.

Rate AA by Standard & Poor's, the bonds are general obligations of the Authority, payable from all revenues, rentals and receipts of the Authority, including rentals from school districts in the Commonwealth.

Shearson, Hammill Adds

LOS ANGELES, Calif. — Hugh Herndon, III, has become connected with Shearson, Hammill & Co., 3324 Wilshire Blvd. He was formerly with Dean Witter & Co.

Colgate Hoyt to Admit

Colgate Hoyt & Co., 165 Broadway, New York City, on Oct. 1 will admit Robert A. Carmichel to partnership. Mr. Carmichel has been associated with the firm for some time as Cashier and Office Manager.

Haas, Lidster Adds

LOS ANGELES, Calif.—Milton Y. Russotto has become connected with Haas, Lidster & Co., 3727 Wilshire Blvd. He was previously with Hill Richards & Co., Inc.

LETTER TO THE EDITOR:

Says David Rockefeller Neglected Important Point

New Haven contributor agrees with David Rockefeller's criticism of gold devaluation (this "Chronicle," Sept. 7, p. 7 ff.) except for one omission—i.e., the harmful consequences that would inure to the American people were devaluation adopted.

Editor, Commercial and Financial Chronicle:

In a statement delivered by Mr. David Rockefeller to the Joint Economic Committee, Sub-Committee on International Exchange and Payments, Washington, D. C. —as published in your issue of Sept. 7—Mr. Rockefeller lists one item on which I should like to comment. Dealing with what "should be done about the short-term liquidity problem," Mr. Rockefeller says: "Four approaches have been suggested to improve the world's financial mechanism"; and heading the list is one reading: "Increase the price of gold." It is this one, and this one only, concerning which I feel qualified to comment. On this point, Mr. Rockefeller has the following to say:

"While an increase in the price of gold would appear to be a simple and direct solution, it actually has significant disadvantages. It would stimulate gold production at a time when it is doubtful that additional resources should be devoted to gold mining. The gains from a mark-up in the price of gold would accrue chiefly to South Africa and the Soviet Union, the two largest gold producers, and to the Western industrial nations which hold gold. Lesser developed nations would receive minor benefits since they hold little gold. Nations holding their reserves in key currencies would find that these reserves would be worthless in terms of gold. Any hint of a possible gold price change would set off a widespread and disruptive speculative move. Consequently, the case against raising the price of gold is most persuasive."

Criticizes What Was Unsaid

While I have no criticism whatever as to what Mr. Rockefeller says in the above-quoted paragraph, I do criticize what he failed to say as to how an increase in the price of gold would affect the American people. Today our leaders in Washington seem far more concerned with the welfare of foreign nations than with that of our own people. And Mr. Rockefeller, likewise, says nothing in the above paragraph as to what an increase in the price of gold would do to us. It is that lack of clarification that needs to be cleared up.

Let us assume that our official-price of gold were to be raised as little as $5 a fine ounce—say to $40 an ounce. That would automatically devaluate the American dollar by 12½%, or to seven-eighths of its presently-claimed value. While I haven't any recent figures as to the combined total dollars our people own — dollars on deposit in banks, invested in Government bonds and in life insurance benefits already paid for—I am confident that $800 billion would be a reasonable figure for my purpose here. Therefore, if the value of the dollar were cut by 12½%, it would penalize the owners of those dollar-assets to the tune of $100 billion — an amount that we would sooner or later be called upon to sacrifice by the degree of inflated prices bound to result from that seemingly small increase in our official-price of gold.

That, it seems to me, is of far greater importance to the American people than the effect of a gold price-hike on foreign nations and peoples. Isn't it about time that Charity begin at home?

FREDERICK G. SHULL
2009 Chapel Street,
New Haven 15, Conn.
September 9, 1961.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

David Rockefeller, President of the **Chase Manhattan Bank, New York,** announced Sept. 14 the promotion of the following to the rank of Assistant Vice-President:

Albert H. Barlow, Mario Capra, Edward Kahn, and Charles T. Potuzak of the administrative department; Arthur E. Albracht, 48th Street branch; Warren F. Beer, 34th Street branch; Arthur R. Clark, West 14th Street branch; Robert P. Fechtel, Rockefeller Center branch; Donald J. Miller and Joseph T. Pender, 25 Broadway branch.

Appointed Assistant Treasurers were Edson E. Beckwith, metropolitan department, and Lewis D. Miller, 34th Street branch. Irvin K. Haslett was named personal trust officer and Mark J. Ovenden, Joseph C. Ronning and Arthur E. Vath custody officers in the trust department. Chester S. Liptock advanced to systems and procedures officer in the administrative department.

Joseph N. Mayer and Ernest L. Brooks have been named Manager and Assistant Manager, respectively, of the 2218 Fifth Avenue office of the Chase Manhattan Bank.

The office, now under construction at 135th Street and Fifth Avenue, is scheduled to be open in November. It will be the first commercial Bank established in Harlem in a quarter of a century.

Mr. Mayer, who was recently Assistant Manager of the Throggs Neck office, joined the Bank in 1928. Mr. Brooks joined the Chase Manhattan Bank in 1955 and most recently worked in its Bronx-Washington Heights division.

* * *

William G. Rabe has been elected Chairman, Advisory Boards, of **Manufacturers Hanover Trust Company, New York** it was announced Sept. 15.

Mr. Rabe was appointed a Vice-President of **Manufacturers Trust Company, New York** which recently merged with the **Hanover Bank, New York** to form **Manufacturers Hanover Trust Company,** in 1931; elected a Director of Manufacturers Trust in 1947, and, in addition, became Chairman of its Trust Committee in 1951.

* * *

The New York State Banking Department on Sept. 8 approved the change in the name of the **Manufacturers Trust Company** to the **Manufacturers Hanover Trust Company** and to reduce the par value of presently authorized shares of capital stock from $20 each, to $15 each, and to increase the authorized capital stock from $105,819,000, consisting of 5,290,950 shares of the par value of $20 each, to $179,559,255, consisting of 11,970,617 shares of the par value of $15 each and also the amount of authorized capital stock which the corporation is hereafter to have is $179,559,255, consisting of 11,970,617 shares of the par value of $15 each; and the amount of capital stock outstanding is $175,780,005, consisting of 11,718,667 shares of the par value of $15 each.

* * *

The appointment of Telmut Andresen as Executive Vice-President has been announced by the **United States Trust Company of New York.** He succeeds James M. Trenary, who will retire on Sept. 30 after 38 years' service with the Bank. Mr. Andresen rejoined United States Trust last June as a Vice-President in the personal trust division. Earlier, he had 22 years' service with the Bank. The Bank also announced the promotions of Henry G. Hopper, Frederick M. E. Puelle and Robert C. Shriver from Vice-Presidents to Senior Vice-Presidents.

* * *

John K. Harris has been elected a Vice-President and Mortgage Officer of the **Harlem Savings Bank, New York.**

* * *

Frank B. Powell has been elected Senior Vice-President and Comptroller of **Security National Bank of Long Island,** it was announced by George E. Maccaro, President.

Mr. Powell was elevated from Vice-President and Comptroller to which he had been elected in 1955.

The executive's banking career was begun in a clerical position in 1925 at the **First National Bank of Amityville, L. I.** in which he rose to Vice-President and Director. Upon the merger of the bank into Security National in 1955, Mr. Powell joined the merged institution as Vice-President. Shortly thereafter he was also elected Comptroller.

* * *

Security National Bank of Long Island, N. Y. has received approval from the Comptroller of the Currency, Washington, D. C, to open a branch office in West Brentwood, L. I., it was announced by George E. Maccaro, President.

* * *

The Fort Plain National Bank of Fort Plain, N. Y. will merge officially into the **State Bank of Albany, N. Y.** Sept. 22.

Approval for the merger was given by the New York State Banking Superintendent and the Federal Reserve Board after stockholders of both institutions voted their approval of the merger.

Under terms of the merger agreement announced stockholders of the Fort Plain Bank will receive 11 shares of stock of the State Bank of Albany for each of their shares.

* * *

The Pittsburgh National Bank, Pittsburgh, Pa. Sept 13 announced that its proposed acquisition of **The First National Bank of New Kensington, Pa.** has received the tentative approval of the Comptroller of the Currency.

At the same time, Frank E. Agnew, Jr., President of the Pittsburgh National Bank, disclosed that the merger agreement, signed by the two Banks on Jan. 31, 1961, provides that a New York investment banking firm, through an underwriting arrangement, will supply the 63,750 shares of Pittsburgh National Bank stock to be used in consummating the transaction. This procedure is being employed for the first time in the acquisition of a domestic Bank.

The proposed merger is now subject to the approval of the shareholders of The First National Bank of New Kensington at a special meeting scheduled for Sept. 26. Shareholders of the New Kensington Bank are being advised that the Internal Revenue Service has ruled that the transaction is a tax-free exchange.

At the closing, the Pittsburgh National Bank will acquire all the assets and assume all the liabilities of The First National Bank of New Kensington.

The New Kensington Bank had total resources of $20,000,000 at mid-year. The Pittsburgh National Bank had total resources of $950,000,000 on June 30.

* * *

Renzo J. Ducceschi has been named a Vice-President of the **First Pennsylvania Banking & Trust Co., Philadelphia, Pa.**

The Broad Street Trust Co., Philadelphia, Pa. elected Edward J. Lavino a Director.

* * *

The First National Bank of York, York, Pa., increased its common capital stock from $500,000 to $625,000 by a stock dividend effective Sept. 8. (Number of shares outstanding 62,500 shares, par value $10).

* * *

The common capital stock of the **American National Bank of Silver Spring, Silver Spring, Md.** was increased from $680,000 to $850,000 by sale of new stock effective Sept. 6. (Number of shares outstanding 85,000 shares, par value $10).

* * *

Horace A. Shepard, has been elected a Director of **Central National Bank of Cleveland, Ohio,** it was announced by James J. Nance, President of the bank.

Mr. Shepard fills a vacancy created by the July 14 death of James H. Coolidge.

* * *

By the sale of new stock **The First National Bank of East Peoria, East Peoria, Ill.** increased its common capital stock from $150,000 to $250,000 effective Sept. 5. (Number of shares outstanding 2,500 shares, par value $100).

* * *

By a stock dividend **The First National Bank of Chippewa Falls, Chippewa Falls, Wis.** increased its common capital stock from $300,000 to $330,000 and from $330,000 to $430,000 by sale of new stock effective Sept. 7. (Number of shares outstanding 8,600 shares, par value $50).

* * *

The **First National Bank of Arizona, Phoenix, Ariz.,** has named Richard A. Welch a Vice-President and trust department head. Mr. Welch was formerly a Vice-President and Trust Administration Officer of the **First National Bank of Oregon.**

* * *

The **Wells Fargo Bank American Trust Co., San Francisco, Calif.,** has named John Griffith, Vice-President of consumer loans and James A. Herbert, Vice-President of the credit inquiry division.

Douglas Microwave Common Offered

J. R. Williston & Beane and Hill, Darlington & Grimm are offering publicly 111,112 common shares of Douglas Microwave Co., Inc., at $4.50 per share.

The Mount Vernon, N. Y., firm makes microwave catalog components and test equipment.

Microwaves, very short electromagnetic waves, were first used in radar and now have a wide range of military and commercial applications. They are used for missile guidance and tracking, cross-country telephone communication, navigation, traffic control and intra-company communication.

The company also builds units pursuant to customer's drawings or specifications and performs research and development work.

Some $100,000 of proceeds from the current issue will repay bank obligations incurred for working capital, $50,000 will be used for research and development, $15,000 for increased advertising, $25,000 for additional equipment and $100,000 for the development and production of "sophisticated" microwave units. The balance will be added to general funds.

Joins Eastman Dillon

(Special to The Financial Chronicle)

BOSTON, Mass.—Charles V. Lyness has joined the staff of Eastman Dillon, 22 Batterymarch St. He was formerly with Estabrook & Co. and H. C. Wainwright & Co.

Connecticut Brevities

The following four acquisitions were among those recently announced by Connecticut companies:

Mersick Industries of North Haven has acquired Windsor Pippin Corp. of Windsor Vt., a maker of construction equipment. The acquisition was made by means of a transaction involving the exchange of stock. Mersick is a holding company with two steel fabricating plants and three industrial supply distributing companies. Windsor Pippin will be operated as a subsidiary. Mersick's president, Thomas J. Wall, has indicated he is anxious to triple Windsor Pippin's sales with particular market emphasis on the Vermont company's patented hydraulic winch.

* * *

Barnes Engineering Co. of Stamford, manufacturer of infrared devices has announced it has entered into an agreement for acquiring **Connecticut Instrument Corp.** of Wilton, which will be operated as a Barnes subsidiary. The acquisition will be retroactive to July 1, the beginning of Barnes' current fiscal year and will move Barnes into the analytical infrared instrument market to serve chemical, pharmaceutical and petroleum customers and scientific and university laboratories.

* * *

The Singer Manufacturing Co. of Bridgeport reported the purchases of Supreme Knitting Machine Co. for an undisclosed amount of cash. Singer manufactures sewing machines and Supreme makes various types of circular knitting machinery used in the textile and apparel industries. The acquisition is part of a diversification program undertaken by Singer. Supreme, which is located in Ozone Park, N. Y., will continue under the present management as part of the Singer Special Products Division.

* * *

The Kalart Company of Plainville has purchased Technical Services, Inc., a leading maker of special purpose projectors, whose manufacturing facilities and offices in Michigan will be moved to Plainville. This is Kalart's fourth acquisition in 11 years and was made with the purpose of further expanding the Connecticut company's activities in the audio-visual field. As a result of the acquisition, Kalart's line of audio-visual equipment will be one of the most extensive available today.

* * *

Microwave Corporation of America, Stamford, will participate in a nationwide forecasting system being planned by the Weather Bureau. The company was awarded a contract calling for operational equipment to determine exact wind velocities and direction from several miles away. The equipment uses a new concept of microwave radar and its first applications are for reporting wind conditions at the ends of giant runways of major airports.

* * *

Farrel-Birmingham Co. of Ansonia, together with the General Electric Co. have, for the first time, accomplished complete automation of a heavy duty roll grinder under punched tape control. The huge machine tool can "feel" a thousandth-inch difference in a five-foot thickness and will be used to grind massive rolls into identical pairs for metal rolling mills. The electronic control memorizes the dimensions of the first roll, recalling them later as it directs the grinding of a second matching roll. The first three of these automated grinders will soon be in operation at the Great Lakes Steel Corporation's' new hot mill in Detroit.

* * *

The Travelers Insurance Co., of Hartford was recently honored for its advertising in competitions among national corporations. Travelers was given the Grand Award, top prize of the 1961 Insurance Advertising Conference, for its Red Umbrella display. The exhibit shows how the red umbrella emblem was used in the company's advertising programs. Four additional Insurance Advertising Conference honors were received by Travelers' advertising programs. In addition, the company's Currier & Ives calendar for 1961 was honored at the annual exhibition sponsored by the Lithographers and Printers National Association.

Sikorsky Aircraft of Stratford, division of United Aircraft Corporation, has received an order of $15,990,000 for its HUS-1 helicopters to be used by the Marine Corps. In the commercial field, Sikorsky recently demonstrated for the press its twin turbine S-6TL aircraft, the largest helicopter to be put into commercial passenger transportation in this country. Los Angeles Airways will become the first user next month, followed by Chicago Helicopter Airways.

Dunne & Co. Names Jurgens

F. Rodney Jurgens has been appointed sales manager of Dunne & Co., 26 Broadway, New York City, dealers in investment securities. Mr. Jurgens has been with the firm since 1958.

Telephones, Inc. Common Offered

Hayden, Stone & Co., McCormick & Co. and associates are offering publicly 250,000 common shares of Telephones, Inc., at $8 per share.

The firm, a holding company whose eight subsidiaries provide telephone service in areas of Kentucky, Illinois and Iowa, is selling 200,000 of the shares. Three stockholders are selling the rest.

Telephones, Inc., will use $877,255.48 of its proceeds to acquire a majority of the common stock of three telephone firms and all the assets of five others located in Illinois, Iowa and Kansas. It will use $241,500 to advance to subsidiaries for repayment of bank loans. The rest is expected to be used for future acquisitions.

Through eight operation subsidiaries—seven acquired Oct. 1, 1960, and the other Feb. 6, 1961—the company provides telephone service to some 31,000 customers in 73 communities.

With Harris, Upham

(Special to The Financial Chronicle)

OAKLAND, Calif. — James J. Duffy has joined the staff of Harris, Upham & Co., 1400 Franklin Street. He was formerly with Reynolds & Co.

Now With Birr Co.

(Special to The Financial Chronicle)

SAN CARLOS, Calif.—Robert C. McCollum has been added to the staff of Birr & Co., Inc., 1265 San Carlos Avenue. He was formerly with Reynolds & Co.

Hemphill, Noyes Office

WILLIMANTIC, Conn.—Hector C. Rivard is representing Hemphill, Noyes & Co. from offices at 826 Main Street.

Future Mortgage Demand And Need for Tax Equality

By Dr. Kurt F. Flexner*, *Director, Mortgage Finance Committee, The American Bankers Association, New York.*

Bankers' mortgage expert confidently expects forthcoming September 25th ABA-sponsored National Mortgage Market Committee meeting will come up with legislative proposal suitable for 1962 Congressional action on creating a national secondary mortgage market. Problems requiring corrections as a prerequisite to this venture are said to consist of discriminatory mortgage credit and tax laws and regulations among lending institutions. Dr. Flexner gives his views of these controversial problems, weighs the impact upon the future flow of savings into mortgages, and warns that the fact that 1970 mortgage credit will be larger than today's combined bank assets requires urgent consideration now.

A vitally important question facing the residential mortgage industry today is whether the expected demand for residential construction during the two decades beginning 1965 will be met largely within the framework of private enterprise and without an undue expansion in government activity.

Kurt Flexner

By 1970 the average American family is expected to spend 50% more than it does today on housing, and there will be 11 million more families at that time. In addition to this, housing demands will be affected by the increasing needs for urban redevelopment and slum clearance programs.

In a nation and in an economy as complex as ours, it is impossible for the private market to cope with all problems, many of which have a political and social rather than economic origin. The Federal and many state governments have become increasingly interested in housing for the lowest income groups, housing for the elderly, urban redevelopment, college housing, and many other special types of housing needs. The American Bankers Association in a Statement of Principles published last April recognized that a legitimate role exists for both Federal and state governments in housing.

It was stressed, however, that every effort should be made to make the private housing and mortgage markets as effective as possible so that government assistance can be employed in areas of residential construction where it is genuinely needed. Some of these such as housing for the lowest income groups, housing for the elderly, and urban redevelopment are obvious examples. It would be a great mistake, however, to permit the existence of a poorly organized mortgage market to make government intervention for ordinary purposes necessary.

Problems to Be Resolved

Before private enterprise can be certain that it will be ready to meet future demands for housing, several problems must be squarely faced. One of these is the great need for effectively organized secondary mortgage market. Another is the need for changes in laws and regulations which at present lead to serious discrimination among the various lending institutions so far as mortgage credit is concerned. Last, but not least, is the existence of tax laws which definitely favor particular mortgage lending industries to the detriment of those who do not enjoy special tax privileges.

Taking these problems up one at a time, I am very optimistic about the solution of the first. The American Bankers Association has in the last 2½ years given great attention to the problems of the existing poorly organized secondary mortgage market. The Mortgage Finance Committee of the ABA has approved recommendations which have grown out of a study conducted by Dr. Hobart C. Carr of New York University and myself. A significant further step has been taken by the setting up of a National Mortgage Market Committee sponsored by the ABA, the members of which include representatives from the commercial banks, savings banks, mortgage companies, life insurance companies, the National Association of Home Builders, and the National Association of Real Estate Boards. The first meeting of this important Committee is scheduled for Sept. 25, and it is expected that a definite program for the necessary enabling legislation will be developed in time for the 1962 Congressional sessions.

When the improvements in the mortgage market which are envisaged by the ABA and others have come into existence, few banks will have to worry about selling mortgages out of their portfolio. A ready market will exist in the mortgage industry as it does now in every other major capital market.

With the great importance which the mortgage debt has assumed since the Second World War, many commercial banks have already adopted major new policies in regard to mortgage lending. By 1970 the mortgage debt will be larger than the combined assets of all banks today. This significant fact has made an impression on many banks already, and the next few years will most likely witness a steadily increasing interest on the part of commercial banks in mortgage lending, home construction, community development, and urban rehabilitation.

Present Laws Discriminatory

Before commercial banks can do the job of mortgage lending which the industry is now planning, other improvements and changes need to take place. A large but rather major and increasing portion of mortgages are of the conventional type. Terms relating to these mortgages differ widely so far as the various financial institutions are concerned. Federal laws favor the savings and loan associations so far as loan-to-value ratios, maturities, and mortgage to savings ratios are concerned. Many of our state laws discriminate even more. This fact, which may have possessed historical validity, serves today as a major obstacle to mortgage lending by commercial banks. If, as it is said, competition is the lifeblood of private enterprise, then it is vitally important to all those affected by this competition that laws and regulations give equal opportunity to the various sectors of the banking and financial industries.

When commercial banks were looked upon largely as depositories for short term funds, there may have been grounds for the laws and regulations which have long since become discriminatory. Today's commercial bank is widely interested in savings and time deposits, and the combined volume of such deposits is nearly $70 billion for all commercial banks. This not only gives good banking reasons for maintaining mortgage portfolios, but it makes mortgage lending on the part of commercial banks highly desirable from a social and public interest point of view. It is, in my opinion, vitally necessary that existing discrimination in laws and regulations affecting the mortgage lending practices of banks be corrected as quickly as possible.

The present income tax laws form another highly sensitive area of discrimination so far as commercial banks are concerned. In an important area of their activity, commercial banks are competing with savings and loan associations and mutual savings banks whose combined assets exceed $110 billion. Commercial banks, whose total assets are about 3½ times as large as the assets of savings and loan associations, paid a tax in 1960 of $1.4 billion, which is roughly 200 times as large as the Federal income tax paid by savings and loan associations. This to many commercial banks represents a serious obstacle to fair and effective competition. My own interest in this question at this time stems largely from the fact that the claim has been made that if Federal income tax laws were changed to increase the taxes paid by mutual savings institutions, funds would be diverted from the mortgage market. Since commercial banks are becoming increasingly important in mortgage finance and residential construction, the question of fair tax laws is obviously highly significant.

The Tax Situation

In analyzing the fairness and economic soundness of the present Federal income tax structure pertaining to the financial institutions, five questions appear of primary importance:

(1) Does the present income tax law, which in effect results in a negligible payment of taxes by the savings banks and savings and loan associations, constitute a privilege which, if withheld, would deny the public a useful and necessary service? **Answer:** No. The savings banks and savings and loan associations have about $110 billion in assets. There are now many other outlets for savings, and the public would not be denied a useful service if all the financial institutions were exposed to equitable tax treatment and constructive competition.

(2) Does the existence of this special privilege employed by the mutual savings banks and savings and loan associations give them an unfair advantage over their competitors? **Answer:** Yes. The majority of commercial banks are small community banks which depend heavily on their ability to attract savings and time deposits, and so important a disadvantage as is inherent in tax discrimination is a great obstacle to their growth and development.

(3) Would a tax imposed on the mutual financial institutions be consistent with this nation's general objective of growth and economic stability? **Answer:** Yes. A tax on the mutual institutions would not reduce the total flow of savings, but would cause only a minor reallocation. A reasonable and equitable tax would, therefore, not interfere with either growth or economic stability.

(4) Would a Federal income tax on mutual financial institutions cause them hardships? **Answer:** No. Other institutions which are taxed must carefully plan growth, income, and operating expenditures or suffer the consequences. This is how a competitive economy proves its worth.

(5) Will a fair income tax applied to mutual institutions reduce the flow of available future mortgage funds? **Answer:** Very little if at all. It is generally agreed that a fair tax on the savings and loan associations would not force them to reduce their dividend rates by more than ¼% on the average. Actually, however, many savings and loan associations will not have to reduce their dividend payments at all, while others may have to reduce them by as much as ½%. This conclusion is based on the knowledge that the cost structure within the savings and loan industry varies widely. In New York state, for example, some savings and loan associations operate on a cost-to-asset ratio of less than 1% while others experience a ratio of as high as 1.75%. Since yields for all the associations are competitively determined, the associations with lower costs will easily absorb future income taxes without any strain on their dividend or reserve structure. Others with the highest operating cost ratios may have to reduce their dividends by ¼ or ½% or rely upon the innovations which will reduce their cost ratios.

In any case, one of the most likely changes resulting from the imposition of an income tax on the savings and loan associations would be an intra-industry shifting of funds. Associations, in other words, which experience the lowest cost ratios will draw funds from those that are forced to lower their dividend rates as a result of high operating cost ratios. Such a development would obviously have no effect on the flow of mortgage funds.

Another factor to be borne in mind is the rate differentials existing in different geographic regions. Savings and loan associations on the West Coast, even if they were to reduce their dividend rates somewhat, would still pay a higher rate on savings than most savings and loan associations located in the East. This fact would lead to the movement of funds to the West Coast since some shareholders would have no objection to keeping their savings with a Federally insured savings and loan association located in a high interest area. Again, this would not lead to a reduction in mortgage funds.

It is also quite possible that there may be some shifting of funds from savings and loan associations to banks if the former were taxed. Since banks have invested at least 40% and sometimes more than 100% of their annual increases in savings and time deposits in mortgages since the Second World War, any shift from savings and loan associations to commercial banks would still result in mortgage investment. Considering all these factors, it is highly improbable that taxation of the mutual institutions would result in a significant decline in future mortgage funds.

Quite apart from the factors listed above, it should be remembered that commercial banks contribute indirectly to residential construction in their financing of mortgage companies—loans which do not appear on the books as real estate loans. Commercial banks also help build schools, roads, community improvements, and help finance the equipment that goes into a house, all of which helps to make a house into a home and an area into a community.

In conclusion, it is my belief that the development of an effective secondary mortgage market, fundamental changes in archaic laws and regulations, and the closing of competitively detrimental tax shelters will enable the commercial banks to do as good a job in housing and mortgage finance as they have done historically in other areas.

*An address by Dr. Flexner before the ABA's Sixth Regional Mortgage Workshop, Dallas, Texas, Sept. 11, 1961.

How the Common Carriers Should Meet Competition

By D. G. Ward,* General Manager, Container Division General American Transportation Corp., Chicago, Ill.

Mr. Ward advises common carriers not to make use of regulation as a source of protection against more efficient competition. He urges they concentrate on improving their service instead of applying to the Congress or regulatory Commission for help to equalize competition. Particularly recommended is R/D and the dropping of those services where greater economies existing elsewhere cannot be exceeded.

There is one general impression which I have received from not only the present transportation studies but also those preceding it during the past few years; namely, there seems to be a general acceptance of regulation, per se, and in almost all cases, an attitude of favoring more regulation rather than less. I can understand this insofar as the Government is concerned. The application of the principles of Parkinson's law and human nature being what it is, politicians and regulatory bodies are not likely to favor a reduction in their power and prestige.

This situation is, however, puzzling insofar as our transportation companies are concerned as well as the shipping public. Surely, after 75 years of transportation regulation, we have learned that the primary answer to our problem is one of economics. While some evils can be corrected through regulation, additional and possibly more serious evils are created thereby.

I do not suggest that we should take either of the extreme positions of removal of all Federal regulation on the one hand or complete economic regulation on the other. In essence, complete economic regulation would mean government ownership of the various agencies of transportation while removal of regulation is outside the realm of possibility and may not be desirable from the standpoint of the economic welfare of our transportation system.

Least Regulation Pays

While these extreme positions are persently untenable, nevertheless, it is my opinion we should always bear in mind that the least possible regulation is the best, and while one mode of transport may obtain a temporary advantage through additional regulation, their long-term interest is not benefitted thereby.

To be more specific, we all can recall the days before the enactment of the Transportation Act of 1935 at which time regulation of motor carrier transportation became effective. The motor carrier industry was expanding by leaps and bounds, taking tremendous volumes of tonnage from rail carriers, primarily through improvement in service and, of equal importance, cutting rates and reducing transportation costs for the shipping public. Rail carriers took drastic steps to meet this competition but the shippers developed because of economics of truck transportation of such value to them that our trucking industry has grown into one which is today vital to the nation. This developed because of economics —not regulation.

Today the railroads through more farsighted management are developing new and better ways of transporting shipments by rail . . . for example, the recent rapid expansion of hauling automobiles on 85-foot piggyback cars. The trucking industry, 25 years after the Transportation Act of 1935, now find themselves in the same position as the railroads were prior to that time. Here again, it has not been transportation regulation that is the governing factor —it is the dynamic forces of new and better ways of doing things, creating an economic situation whereby the shippers will use the service which gives them the lowest transportation cost with required service.

One of the questions which I would like to see answered is, "Why over the years do carriers look at regulation as their source of protection instead of taking the position of industry generally of developing a better product, more efficient manufacturing, and all the other economic factors that enable them to meet competition?" If one form of transport cannot maintain its position because of changing times and conditions and new developments, should it be subsidized either by direct monetary grants, by arbitrary regulatory rules and legislation, or should it die as did the horse and buggy?

I hear it frequently said that our intercoastal steamship operations have disappeared because of the nefarious rate practices of the railroads. I ask, is this true, or was it because of the reduction in the efficiency of our intercoastal steamship lines due to increased labor costs, cargo handling, stevedoring, etc. as compared with the increased efficiency of railroad and truck transportation.

Another point which is vital today in considering the question of regulation is one that concerns everyone involved in transportation; namely, private carriage. During the past few years, there seems to be developing a feeling that the national welfare may demand some form of regulation of private carriage, the argument being that the nation cannot properly exist without a common carrier transportation system and, of course, to this I agree.

However, I strongly affirm that the answer is for our common carriers to meet this competition through new and improved services, efficiency and lower rates where necessary. In those areas where our common carriers are unable to meet the competition of private carriage, they should forego this tonnage. I believe that common carriers can meet this competition, excepting in a very limited number of instances where private carriage is the best medium of transportation.

Poor Form of Relief

Unfortunately, excessive regulation has prevented our common carriers from applying their potentials to the greatest possible extent. Instead of developing a better "mouse trap," it is easier to apply to the Congress or regulatory commission for help to equalize competition. This type of activity is certainly not to the long-term benefit of transportation.

I do not believe that we have by any means exhausted the resources of our common carriers to continue and expand their research and development programs —their hope for the future in maintaining a strong position, providing regulation does not cripple these programs by arbitrarily restricting competition.

I have in mind such developments as Diesel power, by rail and truck, continuing development of new types of railroad cars, lighter and improved highway trailers, continual development of equipment standardization, electronic yards, use of electronic data processing equipment, and many others. We have not reached the end of these developments but, contrariwise, they are just beginning.

The experience of the railroads in the rapid development of piggybacking, the forthcoming major expansion in containerization by rail, truck and barge, and specialized containers which will be placed in service by shippers will in the next few years materially change the transportation picture. It is only through these means and not through regulation that the best transportation system in the world will continue to progress and remain under private ownership. The expansion of regulation can only lead farther down the path of government ownership and socialization.

The Transportation Association of America is dedicated to the principle that everyone—whether carrier or general public—has a vital interest in the maintenance of our free enterprise system. History has shown that the primary breakthrough which could change our fundamental system of government results from government ownership of transportation. Our efforts therefore must be directed to maintaining a healthy common carrier transportation system as failure to do so would be equivalent to removing our finger from the dike, thereby permitting the flood of socialism, communism or some other foreign form of government into the United States.

Many, no doubt, are saying to themselves, "It can't happen here." But we should bear in mind that the hole in the dike is slowly becoming unplugged. There recently have been statements that because of the economic ills of our railroad industry, nationalization of our transportation system is inevitable. To this I cannot agree but it will certainly happen if, either by our self-interest or by inaction, we permit the present trends to continue.

*An address by Mr. Ward before the Upper Midwest Transportation Institute, Minneapolis, Minn.

Corp. Transfer Agents Tourney

The 15th Annual Golf Tournament and Outing of the Corporate Transfer Agents Association, will be held on Oct. 5, 1961 at the Ridgewood Country Club, Ridgewood, N. J.

It is expected that approximately 50 members and an additional 40 guests will attend the affair.

Members of *The Entertainment Committee* are: Charles H. Carmelich, Mgr. Div. Disbursements, Radio Corporation of America; Louis T. Hindenlang, Secretary - Treasurer, American Bank Note Company; James R. Kerr, Stock Transfer Manager, Diamond National Corporation; James J. McKay, Assistant Secretary, Socony Mobil Oil Company, Inc.; Lewis J. McKee, Assistant Mgr. Stock Transfer Dept., Commonwealth Ser. Inc.; Henry Van Dam, Transfer Agent, American Radiator & Standard Sanitary Corp., and George Wasko, Transfer Agent, The Atchison, Topeka and Santa Fe Railway Co.

Form Agents Service

SCHENECTADY, N. Y. — Agents Service Corp. is engaging in a securities business from offices at 217 Clinton Street.

In Securities Business

BEVERLY HILLS, Calif.—Ann Winter is engaging in a securities business from offices at 9460 Wilshire Boulevard.

Now Goldsmith, Heiken

MIAMI, Fla.—The firm name of G and H Securities, Inc., Dade Federal Bldg., has been changed to Goldsmith, Heiken & Co., Inc.

Will Return of Hot Money To London Prove Costly?

By Paul Einzig

Noting a return of hot money and the trouble it caused at its previous appearance, and fearing that the resultant artificial increase in reserves will be misinterpreted, Dr. Einzig perceives a difficult time ahead for the Government's policy of wage restraint. In fact, he foresees one or two major labor strikes, in turn, causing a wholesale flight of recently arrived hot money. Dr. Einzig questions the wisdom of the Basle and IMF temporary financing arrangements.

LONDON, Eng.—When commenting on the increase in the gold reserve during August, several London newspapers pointed out that, even allowing for the amount received from the International Monetary Fund and for the repayment of the French debt, there was a net surplus. And since it is most unlikely that the surplus was a result of an improvement of the balance of payments, it could only be attributed to a return of hot money to London Judging by the firmness of sterling during August, this must indeed have been the case. Its firmness became further accentuated during the early part of September, and it is reasonable to assume that short-term balances were coming back to London on a fairly substantial scale.

Many commentators regard the turn of the tide of short-term balances as a gratifying evidence of a return of confidence in sterling. Yet this self-same influence, the wholesale influx of funds to London throughout 1960, must be considered responsible for much of Britain's present difficulties. As a result of it, the country utterly failed to realize in time the unfavorable trend of the balance of payments, and the Government utterly failed to take timely steps to remedy it. The influx of hot money rendered a grave disservice to Britain. And there is no reason to suppose that it will be otherwise with the present influx of hot money.

Reasons for Short Run Inflow

Now that sterling is safe, at any rate in the immediately future, possibly large amounts will be transferred once more to London to take advantage of high short-term interest rates. It is now reasonably safe to rely on the maintenance of sterling for the next three months or even six months, so that the limited risk attached to uncovered interest arbitrage is more than offset by the present substantial interest differential. Moreover, it is profitable to invest in certain types of short loans the funds transferred to London with the forward exchange covered, because in spite of the discount on forward sterling there is a fair profit margin. Between them covered and uncovered interest arbitrage are likely to cause a fairly substantial influx of hot money—unless an aggravation of the Berlin crisis should come to act as a deterrent.

It seems probable that once more we shall witness the spectacle of an increase in the gold reserve, in addition to the increase brought about in August by the transaction with the International Monetary Fund notwithstanding the adverse balance of payments. Once more most self-deceiving people will ignore the fact that the counterpart of the increase—and indeed much more than its mere counterpart—will be represented by an increase of London's external short-term indebtedness. All that they will choose to see will be that sterling is firm and the gold reserve is increasing. Amidst the resulting atmosphere of unwarranted optimism, the Government is likely to encounter the utmost resistance to its policy of wage restraint.

Problem of Enforcing Wage Restraint

Even if the Government is determined to apply that policy in the public sector of the economy regardless of any large-scale strikes that are liable to result from it, it seems doubtful whether wage restraint will be applied to any noteworthy extent in the private sector. It is true, the employers in the textile industry have just flatly rejected a demand for a 10% wage increase. But, then, the textile industry is not very prosperous just now. It remains to be seen whether industries which are doing well and have a long order book will be willing to follow the example.

Assuming that the Government will be successful in enforcing wage restraint in the public sector while wages will continue to rise in a large part of the private sector, the inevitable consequence will be that the public sector will lose some manpower. Workers will be attracted to industries which are able and willing to pay higher wages. Even as it is, most public services are under-manned. A further loss of manpower by the railroads, the postal services and other public services would gravely affect their efficiency, especially as their remaining employees would not exert themselves in the circumstances to give good service.

But in all probability the wage restraint on the public sector will not be applied without strong resistance on the part of the unions. It would be little short of a miracle if it did not result in one or two major strikes sooner or later. The only question is when such strikes will take place. In the ordinary way the various stages of attempts at conciliation would drag out the dispute for months, so that the actual conflict would not take place until early in 1962. Some of the unions are, however, in a belligerent mood and are all out for a showdown. This means that the elaborate machinery for conciliation might be short-circuited and an open breach might occur already some time during the Autumn. That would be most unfortunate, for a major strike would then coincide with the probable aggravation of the Berlin crisis.

Blames Monetary Stop-Gap Arrangements

Should such a situation arise, in all probability there would be a wholesale withdrawal of the recently arrived hot money. By then some of the gold counterpart of the influx will have been used up to meet the adverse balance of payments, so that the withdrawal of hot money would make it necessary to use up part of the gold borrowed from the International Monetary Fund. It may well be asked if it would not have been wiser to abstain from artificially generating unwarranted optimism with the aid of borrowed gold. Had it not been for the ill-advised arrangement with the International Monetary Fund and for the previous Basle arrangement with the Central Banks, such a decline of the gold reserve at the worst possible moment would be much more moderate.

Problems of Tax-Exempt Financing of Industry

By Harry W. Wolkstein,* *Partner, Harry W. Wolkstein & Co., Newark, N. J.*

Subsidization of private industry via state-local tax-exemption privilege is on the increase according to recent survey made by Mr. Wolkstein. The accountant and tax practitioner strongly castigates the use of industrial development revenue and public authority bonds for financing proprietary instead of essential governmental functions. Listed are the inequities and other evils they are said to create which, in a word, threaten to destroy free enterprise. Mr. Wolkstein avers "the time is long past for further studies and resolutions" as the problem is too acute and requires prompt measures of proper control.

In the ten years that have elapsed since my last paper on the subject "Recent Problems and Developments in Property Tax Exemptions," we have witnessed an alarming increase in tax concessions, tax exemptions and special subsidies being granted by state, county and municipal governments throughout our nation to increase in private industry. The increasingly aggressive competition among our individual states for new industry by means of tax concessions and tax exemptions has already reached the stage of a continuous economic war which endangers our taxing structures as well as the foundation and existence of our system of free competitive enterprise.

Harry W. Wolkstein

We must be seriously concerned with the basic principles that state and municipal credit should not be employed to finance the purchase of land and the construction of plants for lease to private industry, and that public funds should not be used to provide loans and outright gifts of land and buildings to private industry, as well as the basic principle that state and municipal governments must not pervert their Federal tax exemption privileges for proprietary purposes.

We must be seriously concerned with the fact that, in 1959, Federal, state and local taxes consumed 31.13% of our national income.

We must recognize the fact that we cannot possibly attain uniform and equitable systems of state taxation without at the same time attaining reasonable uniformity in our state programs for tax exemptions and subsidization policies toward private industry.

As part of my current research on this subject, I mailed 512 questionaires to municipal, county and state tax officials, economists, college professors, tax practitioners, and corporate officials throughout the continental and territorial United States. To date, I have received 209 letters of response thereto. My survey has indicated that, in recent years, our state and local governments have stepped up their policies and programs of unsound competition for new private industry by means of their subsidization plans.

(The detailed results of my survey are available in the form of a summary of each state's current policy as to the granting of tax concessions and the subsidy of private industry.)

The increasing activity by our state and municipal governments in industrial financing has become quite alarming. It appears that our state governmental officials have seen fit to ignore the disastrous consequences of governmental subsidy of industry in our nation's past history, and they have determined to become the initiators of a future catastrophe in our economy.

Protecting Municipal Credit

My opposition to public concessions for private industrial development stems chiefly from my desire to see municipal credit protected and to maintain the strength of our basic system of free competitive enterprise. In discussing this problem, it is essential that we avoid beclouding our minds with short range hopes, and that we face up to the long range consequences of such state and municipal policies.

The impetus for the current trend in municipal financing of private industry began about 24 years ago in the southern states, in their desire to balance their agricultural economy with industry. For self-protection the industrial states in turn initiated similar programs, and thus the lines for an industrial war among the states were drawn. The disastrous economic effects of such a continuing conflict are numerous. Excessive issuance of industrial development bonds by municipalities creates the fear that this indebtedness will not be able to withstand the pressures of any future business depressions, since these industrial development revenue bonds are dependent upon institutions which bear the brunt of such economic depression, namely, the privately owned and operated industries.

Another well grounded fear is that the use of such industrial development revenue bonds by governmental units will motivate the redefinition of our present system of intergovernmental tax immunities, and eventually lead to Federal regulation over municipal and state financing. Because of the great similarity of this form of bond to commercial bonds, a very plausible case exists to subject this type of public investment to Federal jurisdiction. Once this has occurred, constantly increasing Federal jurisdiction over all state and municipal bonds may not be far behind.

While it may be argued that the issuance of industrial development revenue bonds is beneficial since they will not directly increase the indebtedness of the municipal government, how can we overlook the increased cost of municipal operations, and the increased annual debt service charges that accompany the issuance of more general obligation bonds that are related to the increased governmental services, such as school, sewers, water, fire and police protection, etc. that must be provided.

If the business enterprise is not successful, the municipality is still faced with its outstanding general obligation bonds, and the final result of such a situation may well be defaults in such industrial development revenue bonds, and increased taxation unto the remaining taxpayers. Even if the business enterprise does flourish, increased taxation of the remaining taxpayers is almost inevitable in view of the fact that the new subsidized industry rarely pays real estate taxes on the property that is owned by the municipal government.

Sees State Capitalism

At present most of the funds in these plant construction programs are provided by the municipalities; however, the increasing usage of these plans will undoubtedly mean more and more state participation. This is an undesirable step toward state capitalism, where we find the government competing unfairly with the private investor, and eventually causing the complete destruction of our free private enterprise system.

The difference between a municipality issuing bonds for the construction of a plant to be leased to a private operator and a municipality issuing bonds for constructing an airport or terminal or other public facility to be leased to a private company is basically a matter of the degree of "benefit incidence." Construction of the public facility, although privately operated is of direct and great benefit to all of the local citizens. The privately operated plant, however, is there for the company's profit primarily, with the benefits to the local citizens being only incidental.

It is common knowledge that in many of those states whose constitutions or statutes prohibit the outright granting of full or partial tax exemptions, the municipal tax assessors or other local government officials will agree to some extra-legal or even illegal arrangement with desirable new industry, whereby the privilege of tax exemption will be extended to such an industry for one or more years. Some states, however, have passed the point of being hypocritical about such tax policies and have recently amended their constitutions to permit such actions.

Although we all recognize the advisability of adopting uniform tax laws among our individual states, it appears that we have not reached the point where we are willing to admit that we cannot attain uniform and equitable systems of state taxation, without at the same time attaining reasonable uniformity in our state programs for tax exemptions and subsidization policies toward private industry. Since uniformity of state tax systems will probably never be achieved, I believe it is advisable that we strive for the elimination of all such improper tax concessions, for the reason that when a state or local government grants full or partial tax exemption to industrial property, it is carrying out class legislation that tends to destroy thrift and initiative, and to narrow the property tax base constantly at an ever-increasing expense to the remaining business firms and property owners who must pay their fair share of the total tax burden.

Over the last decade there has been a tremendous increase in the number of industrial development organizations throughout the country. In my research, I have concerned myself mainly with those that are public or semi-public in nature, as I believe that they violate their public nature when they go further than advertising and other promotional activities, and enter the realm of plant construction and financing. The latter functions should be left to the privately financed industrial development groups of citizens, to be in accord with the principles of our free enterprise system.

The subsidization plans as carried out by the public and semi-public industrial development commissions throughout our country represent a very unhealthy mode of competition among our state and municipal governments for new industry, and they may very well serve to undermine our entire national

Continued on page 38

Domestic Economic Goals And Economy's Efficiency

By Neil H. Jacoby,* *Dean, Graduate School of Business Administration, University of California, Los Angeles, Calif.*

Thought-provoking article on our domestic economic goals by former member of the Council of Economic Advisers explains why we should strive for a more rapid growth of efficiency. In so doing, he denies the Soviet economy is more efficient because of its faster current rate of growth, and notes difficulties that lie in the way of making a valid comparison anyway. Dr. Jacoby recommends public policies and relatively costless methods to reduce involuntary idleness in our economy and to increase the productivity of each hour's work so as to raise our level of efficiency for reasons other than the factor of Soviet economic competition. The economist warns we face a $115 billion wide gap between our performance and its full potentiality in 1970, if we do nothing about it, which we cannot afford.

I shall address myself specifically to economic goals, because I am an economist; but I shall also refer to those social and political aims of the American people which require economic action for their realization.

Dr. Neil Jacoby

First, let us try to define the nature of economic goals and contrast them with other national goals. We may then trace the evolution of different U. S. economic goals, and note the changing priorities that Americans have assigned to them. Because the growth of the U. S. economy has come to the forefront of public attention in recent times, we shall consider alternative concepts and measures of economic growth. The most meaningful definition is, we shall find, a gain in efficiency—in output per manhour. We may then discuss the compatibilty of a rapid rise in efficiency with other economic goals, such as full employment, a stable price level, or international equilibrium. At this point we shall turn to a comparison of the performances of the American and Soviet economies, and venture some estimates of the future. We shall examine the need for greater American efficiency. Finally, we shall briefly describe policies that will close the gap between the present performance of our economy and its potentialities. Education has a central role to perform in this important undertaking.

(1) Economic vs. Other National Goals

An "economic" goal is a national goal that is essentially concerned with the structure and functioning of the nation's economy. Such a goal relates to the organization of production, the economizing of scarce resources, and the distribution of the product to the people.

Economic goals are not ends in themselves. They are merely the means to the more basic end of "the good society." We seek the good life as our ultimate goal. We produce to live; we do not live to produce. The ultimate values of life are moral, ethical, and aesthetic rather than economic. The great philosophers throughout the ages, from Socrates to Suzuki, have sought to formulate these ultimate values of life. While the economist recognizes and accepts these deeper human goals, he must leave to the philosopher the difficult tasks of describing them and telling us how to attain them. His is the humbler task of identifying the economic goals and policies, and the associated social and political arrangements, which are one means of building the good society. The economist must assume that a more complete realization of economic goals will enable people to live juster, wiser, happier, more righteous and more beautiful lives. It would not be necessary to point out this obvious truth if it were not for the fact that the leaders of the Soviet Uion are obsessed with the goal of overtaking and surpassing the United States *in production.* With gross materialism they elevate output to a position of primacy in their society. Americans must be careful not to make the same mistake.

Although economic goals are secondary, they are still vitally important in a world in which stark poverty afflicts huge populations, including even some Americans in this, the world's richest nation. This was well recognized by the President's Commission on National Goals. Its report listed a large number of national goals, including the strengthening of democracy, maximum education for all, high artistic and cultural attainment and international harmony; but it concluded with the statement that "resources are a crucial test of a nation's ability to attain its goals." Even the non-economic aims of a people must be evaluated in economic terms, in order that the costs of attaining them may be compared, each with the other, and in order that the aggregate resources necessary to reach *all* of the national goals may be matched, if possible, with the productive capabilities of the economy.

What, then, are the central economic goals of the American people? The question is difficult because people holding different philosophical values and viewing the economy from various perspectives naturally see divergent economic objectives. Within the past two years, three highly competent bodies have sought independently to answer this question. They are the President's Commission on National Goals, the Joint Economic Committee of Congress, and the Commission on Money and Credit.[1] Their conclusions have a remarkably large common denominator.

The President's Commission on National Goals identified the domestic goals of maximizing individual freedom, equalizing opportunities, perfecting the democratic process, strengthening education, advancing the arts and sciences, accelerating technological progress returning to market-determined farm prices, improving urban planning and housing, and extending medical care and health services.

The Joint Economic Committee focused its attention on the three primary goals of a high and stable rate of employment, a high rate of growth in the nation's productive capacity and output, and a reasonable stability in the price level. The Committee noted, however, that these aims should be

Continued on page 34

1 See *Goals for Americans* (New York: Prentice-Hall, Inc., 1960) Joint Economic Committee of Congress, *Report on Employment, Growth and Price Levels* (Washington: U. S. Govt. Printing Office, 1960), and *Report of the Commission on Money and Credit* (New York: Prentice-Hall, Inc., 1961).

Canada's New Economic Policy and Prospects for Further Growth

Continued from page 1

the economy has indeed responded to these stimuli. Were it not for the widespread drought, severely affecting agricultural production in West Canada in the late Summer, the Canadian business upswing might have attained more dramatic proportions.

Current Situation

Viewing the situation currently we still find national production, exports, personal incomes, and consumer expenditures have been running, in 1961, at near all-time highs. Even though there are visible overcapacities in almost every segment of the economy, demand, in general, remains good; and due to drought, borders on the acute, in certain agricultural commodities.

The Canadian markets, for most of the year, have followed the buoyant trends of New York and solid enthusiasm has developed for bank and finance shares, gold and certain coppers. The position of Canada as the world's largest supplier of nickel has been strengthened by the $125 million expansion involving the Thompson Mine of International Nickel in Manitoba, the Falconbridge enlargement at Sudbury and expansion—either in refinery capacity or exploration—at Sherritt Gordon, North Rankin and Giant Nickel. The demand for nickel has been such that International, in mid-Summer, advanced the price of nickel by 7¼¢ (U. S.) per pound.

Bright Long-Range Outlook

The long-range outlook for Canada remains excellent, if not exciting. Canada has moved rapidly away from a "farm and forest" economy and has developed, at an amazingly rapid rate in the past 15 years, a quite balanced economy, as many persons are now employed in manufacturing, as in farming, fishing, forestry, construction and mining combined. Since the oil strike at Leduc in 1947, a whole major new industry, or rather series of industries, have sprung up. Proven oil reserves are now 3.7 billion barrels; proven natural gas reserves, 27 trillion cubic feet. These stores of energy are finding broader use at home, aided by hundreds of millions invested in pipelines, running East and West. Lively gas export markets have been opened with the construction of the Westcoast Transmission line delivering volatile energy to a broad section of Western United States. In oil, the Transmountain Line to the West, and Interprovincial going South and East, have improved their throughputs in 1961. And an energetic new petrochemical industry is moving rapidly forward in the Western Provinces feeding off rich stores of available low cost hydro-carbons.

Industrial Stature

Forests cover about half of Canada, and half of the world's newspapers are printed on Canadian paper originating in these massive stands of timber. Canada is the largest source of lumber in the Free World.

Canada now ranks as the sixth among the great industrial nations of the world. It produces, in addition to pulp and paper, petroleum and non-ferrous metals, around $1 billion annually in motor vehicles, almost half a billion in meat products, and around 500,000 tons of steel. Its iron ore production, especially in the Quebec-Labrador region, will produce one of the more spectacular economic advances of this decade.

So, no one should become bearish on Canada. And perhaps Canadians themselves should be just a little more tolerant, just a little more moderate, in their attitude toward the influx of foreign capital which has fueled so much of the industrial expansion just recited. During the period of greatest capita input in this decade (1956/7), capital investment provided more than 27% of gross national product. Well over half of these funds came from abroad, and provided an enlargement of production capacity that might have been otherwise deferred for years.

While it may be a little uncomfortable to perceive so large a percentage of Canada's resources, equity-owned by outsiders, it should be remembered that the United States, in the earlier 19th century, was in the same boat, with its industry and its railway expansion being heavily financed by British capital. With land area larger than Continental United States, it could hardly be expected that 18 million Canadians could develop internal capital formation on a comparable scale with 180 million Americans. Canada has the resources, the rising population, production potentials, the national zeal, and the financial and market facilities for enormous advances in progress and prosperity, in the years to come. The present fiscal program, tending to exhort Canadians to a larger ownership of native industries, is all to the good, but patience will also prove a most valuable ingredient.

If this external investment is so disquieting, it must be remembered the problem has arisen in part because, for decades, the Canadian climate for investment by outsiders has been among the most favorable in the world. Consider, by way of proof the list below of companies that have built up, over the years, a fabulous record for dependable cash dividend distribution.

TABLE 1

CANADIAN

(Listed and Unlisted)

Common Stocks

On Which
CONSECUTIVE CASH
DIVIDENDS

Have Been Paid From

10 to 133 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Abitibi Power & Paper Co., Ltd. — Newsprint and allied products	13	1.70	42¾	4.0
Acadia Atlantic Sugar Refineries Ltd. — Refines raw sugar cane & produces 50 or more grades & packages of sugar	11	0.825	9½	8.7
Agnew-Surpass Shoe Stores, Ltd. — Makes and distributes shoes through 128 store retail chain	28	0.70	23¼	3.0
Aluminium Ltd. new — Largest producer of aluminum ingot in the world	23	0.70	35½	2.0
Andian National Corp., Ltd. — Operates oil pipe line in Colombia, S. A.	18	*0.40	b7½	5.3
Anglo-Canadian Pulp and Paper Mills, Ltd. — Newsprint and allied products	16	2.00	41	4.9
Anglo-Huronian Ltd. — Holding & operating co.—chiefly interests in Can. gold mining	22	0.50	7.80	6.4
Anglo-Newfoundland Development Co., Ltd. "Ord." — Newsprint and allied products; also mining interests	17	0.375	9¼	4.1
Argus Corp., Ltd. — Investment co.—manufacturing & merchandising interests	15	1.10	43	2.6
Asbestos Corp., Ltd. — Mining & milling of asbestos fibre	24	1.40	30¼	4.6
Ashdown Hardware Co., Ltd., J. H., "B" — Large wholesale and retail business in general hardware	24	0.72	11¾	6.1
Aunor Gold Mines Ltd. — Ontario gold producer	21	0.17	3.10	5.5
Auto Electric Service Co. Ltd. new — Service distributors of automotive electrical carburetors & auxiliary equipment	15	‡0.3925	6¾	5.8
Avalon Telephone Co., Ltd. — Operates telephone system in St. John's, Newfoundland and vicinity. 49,818 telephones serving population of over 300,000. Franchise is non-exclusive to 1977.	34	0.40	8¾	4.6
BANK OF MONTREAL — Operates 813 branches and agencies throughout the world ● See Bank's advertisement on page 29.	133	2.05	66	3.1
BANK OF NOVA SCOTIA — Operates 584 branches and sub-offices throughout the world ● See Bank's advertisement on page 27.	129	2.30	72	3.2
Banque Canadienne Nationale — Operates 594 branches in Canada	80	2.10	63	3.3
Barber-Ellis of Canada, Ltd. — Stationery and printers' supplies	31	5.00	‡	‡

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
* Dividend paid in U. S. Currency.
‡ Inactive issue; doesn't trade.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Barymin Explorations Ltd. Holding company, prospecting and exploring various properties N W Ontario	12	0.03	0.48	6.2
Beaver Lumber Co. Ltd. Lumber & building supply retailer, 273 branches in Canada	18	1.25	25¼	4.9
Bell Telephone Co. of Canada Most important telephone system in Ontario and Quebec	81	2.20	53½	4.1
Biltmore Hats Ltd. Men's fur, felt and wool felt hats	28	0.40	b6⅜	6.3
Bird Construction Co. Ltd. Engaged in general building and road construction with branches in several cities in central Can.	13	2.80	a52	5.4
British American Bank Note Co. Ltd. Makes bank notes, bonds, revenue stamps and similar items	27	2.50	54	4.6
British American Oil Co. Ltd. Petroleum production, refining, distribution	52	1.00	31½	3.2
British Columbia Power Corp. Ltd. Holding co., controlling B. C. Electric Co. Ltd.	44	1.50	34¼	4.4
British Columbia Telephone Co. "Ord." Second largest privately owned telephone system in Canada	46	2.20	49¾	4.4
Brock (Stanley) Ltd. "B" Laundry supplies, hardware, plumbing supplies, etc.	15	0.40	b8⅜	4.8
Building Products Ltd. Asphalt roofing, flooring and insulation	35	1.80	35	5.1
Bulolo Gold Dredging, Ltd. Operates a gold dredging project in New Guinea	14	0.50	b6.10	8.2
Burlington Steel Co. Ltd. new Steel rolling mill & related oper.	24	0.85	18	4.7
Burns & Co. Ltd. Meat, lards, butter, poultry products, etc.	15	0.65	12½	5.2
Calgary & Edmonton Corp., Ltd. Leases oil and gas drilling rights in Alberta	25	0.10	18	0.6
Campbell Red Lake Mines Ltd. Ontario gold producer	10	0.40	13	3.1
Canada Cement Co., Ltd. Portland cement	12	1.00	27%	3.6
Canada & Dominion Sugar Co., Ltd. Cane and beet sugar refining	31	0.60	20½	2.9
Canada Bread Co., Ltd. Bread and cake wholesaler and retailer	18	0.10	5½	1.9
Canada Flooring Co., Ltd. "B" Specializes in manufacture of hardwood flooring of all kinds	12	0.55	‡	‡
Canada Foils, Ltd. Oldest and largest foil converting plant in Canada	13	1.00	27	3.7

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
‡ Inactive issue; doesn't trade.
a Asked.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Canada Iron Foundries, Ltd. Holding and operating company—machinery & equipment interests	17	1.25	19¾	6.3
Canada Malting Co., Ltd. Malt for the brewing & distilling industries	34	2.50	74	3.4
Canada Packers Ltd., "B" Full line of packinghouse prods.	26	1.75	57½	3.0
Canada Permanent Mortgage Corp. Lends on first mortgage security, issues debentures, accepts deposits	106	2.00	b70½	2.8
Canada Steamship Lines, Ltd. Freight and passenger vessels: other diverse interests include hotels	19	1.50	57¼	2.6
Canada Vinegars Ltd. Vinegar and apple products	37	1.40	42½	3.3
Canada Wire and Cable Co. Ltd. "B" Copper and steel wires and ropes	23	0.25	9⅜	2.7
Canadian Bank of Commerce Operates 858 branches throughout the world Succeeded by Canadian Imperial Bank of Commerce				
Canadian Breweries Ltd. Holding co.—brewing and grain milling interests	17	1.65	48⅛	3.4
Canadian Bronze Co., Ltd. Holding co. — subidiaries make bronze bearings, bushings and castings	34	1.50	20	7.5
Canadian Celanese Ltd. Synthetic yarns and fabrics	26	1.25	28	4.5
Canadian Dredge & Dock Co. Ltd. General dredging; construction & repair work on waterways	12	0.80	12½	6.4
Canadian Fairbanks Morse Co., Ltd., class "B" Exclusive sales agents for Fairbanks, Morse & Co. of Chicago	24	0.60	8¾	6.9
Canadian Gen. Elec. Co., Ltd. Exclusive manufacturing & selling rights of General Electric products in Canada	31	12.00	b750	1.6
Canadian Gen. Invest. Ltd. Management type invest. trust	33	1.35	38½	3.5
Canadian Imperial Bank of Commerce Operates 1,221 branches throughout the world.	94	2.05	67⅝	3.0
Canadian Industries Ltd. Chemicals and allied products	35	0.50	16	3.1
Canadian Ingersoll-Rand Ltd. Manufactures compressors, pneumatic tools, pulp and paper	32	1.50	40¼	3.7
Canadian International Investment Trust Ltd. Management type of investment trust	11	1.00	22	4.5
Canadian Oil Cos., Ltd. Petroleum refining & distribution	36	0.80	31½	2.5
Can. Pac. Ry. Co., "Ord." "The" private railway system of Canada	18	1.50	25¼	6.0

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Canadian Tire Corp., Ltd. new Sells automotive accessories, parts, etc., through 170 stores	18	†0.70	49	1.4
Canadian Vickers, Ltd. Shipbuilding, repairs; also makes industrial and mining machinery	12	0.75	21	3.6
Canadian Westinghouse Co., Ltd. Airbrakes and large variety of electrical apparatus	16	0.90	33	2.7
Chartered Trust Co. General fiduciary business	27	2.00	b85¼	2.3
Chateau-Gai Wines Ltd. Wines and juices	17	1.00	26½	3.8
Cochenour Willans Gold Mines Ltd. Gold producer N. W. Ontario	14	0.14	3.95	3.5
Collingwood Terminals, Ltd. Operates a 2 million bushel grain elevator in Collingwood, Ontario	20	1.00	b14⅛	7.1
Commonwealth Int'l Corp. Ltd. A mutual investment trust of management type.	28	0.32	b8.91	3.6
Conduits National Co., Ltd. Rigid electrial conduits, elbows, couplings, etc.	25	0.80	11	7.1
Confederation Life Assoc. Wide range of endowment and life policies	38	2.00	158	1.3
Consolidated Mining & Smelting Co. of Can. Ltd. Lead, zinc, silver, chemical fertilizers, etc.	29	1.00	27	3.7
Consol. Paper Corp., Ltd. Owns five mills; daily newsprint capacity 2,764 tons	16	2.00	47¼	4.2
Consumers Gas Co. new Manufactures and distributes gas in the Toronto area	114	0.40	17	2.3
Consumers Glass Co., Ltd. Wide variety of glass containers	26	0.975	23	4.2
Corby (H.) Distillery Ltd. V.t. Holding and operating co. — alcohol and spirits	25	1.00	17¾	5.6
Corporate Investors Ltd. A mutual Fund trust of management type.	29	0.32	b9.96	3.2
Cosmos Imperial Mills Ltd. Manufactures heavier grades of cotton duck	27	0.80	12	6.7
Crain, R. L. Ltd. Manufactures & sells continuous business forms	16	0.40	17⅛	2.3
Crown Cork & Seal Co., Ltd. Bottle caps for the beverage industry	33	3.00	64	4.7
Crown Trust Co. General fiduciary business	62	1.00	b40	2.5
Crow's Nest Pass Coal Co., Ltd. Coal producer on western slope of Canadian Rockies	44	0.75	b21	3.6

Continued on page 26

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

Canada's New Economic Policy And Prospects for Growth

Continued from page 25

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦ —Canadian $ § —	Approx. % Yield Based on Paymts. to June 30, 1961
Distillers Corp.-Seagrams Ltd. A holding co.—interests include a complete line of whiskies and gins	25	1.70	39¾	4.3
Dome Mines Ltd. Ontario gold producer	42	0.70	23	3.0
Dominion and Anglo Investment Corp., Ltd. new Investment holding company	22	†0.40	b14	2.8
Dominion Bridge Co., Ltd. Bridges, cranes and structural steel of all kinds	49	0.80	18⅜	4.3
Dominion Corset Co. Ltd. Manufactures ladies' foundation garments	12	1.00	b18	5.6
Dominion Engineering Wks., Ltd. Wide variety of machines and equipment	20	1.00	17	5.9
Dominion Fabrics, Ltd. Towels, tapestries, draperies, etc.	35	0.60	b12½	4.8
Dominion Foundries & Steel Ltd. Makes wide variety of primary steel products	25	1.40	56⅝	2.5
Dominion Glass Co., Ltd. Wide variety of glassware	44	2.80	71¼	3.9
Dominion Insurance Corp. Operates company for fire insurance, etc.	18	8.00	b325	2.5
Dominion Oilcloth and Linoleum Co., Ltd. Wide range of linoleum and oilcloth products	75	1.20	b22	5.5
Dominion Scottish Investments Ltd. Investment trust of management type	10	†0.3833	14	2.7
Dominion Steel & Coal Corp. Ltd. A holding co.—coal, iron & steel interests	16	0.40	14⅛	2.8
Dominion Stores Ltd. Operates grocery and meat chain of 349 stores	20	1.25	74⅝	1.7
Dominion Tar & Chemical Co., Ltd. Distiller of coal tar & producer of its derivatives	16	0.65	19⅛	3.4
Dominion Textile Co., Ltd. Wide range of cotton yarns and fabrics	50	0.70	14	5.0
Donohue Brothers Ltd. Owns and operates a paper mill at Clermont, Quebec	16	0.90	20	4.5

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦ —Canadian $ § —	Approx. % Yield Based on Paymts. to June 30, 1961
Dover Industries Ltd. Owns and operates two flour mills, capacity 1,350 bbls. daily; also 2 box and 1 ice cream cone factory	22	0.60	b10¾	5.6
Economic Invest't Trust Ltd. General investment trust business	35	1.70	44⅜	3.8
Eddy Match Co. Ltd. Manufactures and sells wood and book matches and through subs. is in lumber business and manufacturer of vending machines	24	1.50	27¼	5.5
Electrolux Corp. "Electrolux" vacuum cleaners, & air purifiers	18	*1.20	37	3.2
Empire Life Insurance Co. Operates as life insurance co.	11	1.00	b115	0.9
Equitable Life Insurance Co. of Canada Wide line of life and endowment policies	23	0.90	b56	1.6
Falconbridge Nickel Mines, Ltd. Nickel, copper, cobalt; subsidiary produces steel castings	29	1.60	62¾	2.5
Famous Players Canadian Corp., Ltd. Largest operator of motion picture theatres in Canada	27	1.50	18½	8.1
Fanny Farmer Candy Shops, Inc. Operates large candy chain of 407 stores and 1,104 agencies	34	1.00	20⅜	4.9
Finlayson Enterprises Ltd. "B" Distributes through subsidiaries smokers' requisites, drugs, cosmetics, etc.	11	0.55	b6	9.2
Ford Motor Co. of Canada, Common Automotive manufacturer	29	5.00	160	3.1
Foundation Co. of Canada Ltd. Engineers & general contractors	22	0.50	12⅛	4.1
Fraser Companies, Ltd. Wide variety paper and lumber products; synthetic yarns and fabrics	18	1.20	23⅞	5.0
A. J. Freiman, Ltd. Owns and operates 2 department stores in Ottawa	16	†0.75	b50	1.5
Gatineau Power Co. Hydro-electric energy in Eastern Canada	24	1.60	37	4.3
General Bakeries Ltd. One of Canada's largest independent bakery operations. Makes bread, cakes, biscuits and confectionery	11	0.40	10	4.0
General Steel Wares Ltd. Household utensils; hotel, restaurants, and hospital equipment; refrigerators, etc.	21	0.20	10	2.0

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
* Dividend paid in U. S. Currency.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦ —Canadian $ § —	Approx. % Yield Based on Paymts. to June 30, 1961
Goderich Elevator and Transit Co. Ltd. Operates 4 grain elevators. Capacity 3,000,000 bushels	29	1.50	b17	8.8
Goodyear Tire & Rubber Co. of Canada, Ltd. Natural and synthetic rubber products	35	6.00	147	4.1
Gordon Mackay Stores Ltd. "B" Manages subsidiaries which distribute textile products and allied goods	37	0.50	8⅝	5.8
Grand & Toy Ltd. Manufactures commercial & general stationery & business forms and distributes office supplies & furniture throughout Ontario	18	1.80	b43½	4.1
Great Lakes Paper Co., Ltd. Manufactures newsprint and unbleached sulphite paper	15	0.60	19¾	3.1
Great West Coal Co., Ltd. "B" Wholesale distributor of lignite coal	15	0.125	b3.05	4.1
Great-West Life Assur. Co. Wide range of life, accident and health policies	62	5.15	a575	0.9
Greening (B.) Wire Co., Ltd. Wide variety of wire products	24	0.10	b2.95	3.4
Guaranty Trust Co. of Can. General fiduciary business	33	0.825	44	1.9
Hallnor Mines, Ltd. Ontario gold producer	23	0.14	1.75	8.0
Hamilton Cotton Co., Ltd. Wide variety of textile products	20	0.90	19⅞	4.5
Harding Carpets Ltd. Specializes in seamless "Axminster" and "Wilton" rugs	26	0.70	13¼	5.3
Hayes Steel Products Ltd. Wide variety of automotive parts	19	1.50	b21⅝	6.9
Hinde and Dauch Ltd. Wide variety of paperboards, boxes, etc.	28	1.80	49¾	3.6
Hollinger Consolidated Gold Mines, Ltd. Ontario gold producer	46	0.66	24⅜	2.7
Hudson Bay Mining & Smelting Co. Ltd. Manitoba copper & zinc products	27	3.00	56	5.4
Huron & Erie Mortgage Corp. Lends money on first mortgage security and operates deposit and debenture accounts	97	2.125	41¾	5.1
Imperial Bank of Canada Succeeded by Canadian Imperial Bank of Commerce. Operates 328 branches throughout Canada				
Imperial Flo - Glaze Paints Ltd. Varnishes, lacquers, enamels, paints, etc.	21	1.60	28	5.7
Imperial Life Assurance Co. of Canada Comprehensive range of life, endowment and term policies	87	2.50	119	2.1
Imperial Oil Ltd. With subsidiaries comprises full integrated oil enterprises	62	1.35	43¼	3.1
Imperial Tobacco Co. of Canada, Ltd. "Ord." Tobacco, cigars and cigarettes	50	0.675	14¾	4.6
Industrial Acceptance Corp., Ltd. Purchases acceptances; also small loans & gen'l insurance business	14	1.80	62¾	2.9
Interior Breweries Ltd. "B" Operates 2 breweries with combined capacity of 70,000 barrels per year	11	0.20	4.40	4.5
International Bronze Powders Ltd. Holding co. Subs. manufacture bronze and aluminum powders	11	0.60	b15	4.0
International Metal Industries Name changed to Wood (John) Industries Ltd. Shares exchanged share for share				
International Nickel Co. of Canada, Ltd. new Holding and operating co.—Primary operations at mines and smelters near Sudbury, Ontario	28	†1.575	81	1.9
International Paper Co. new Holding and operating co. — Operates pulp and paper mills in Canada and the U. S.	16	†1.017	31½	3.2
International Utilities Corp. Management and development of natural gas and electrical companies in Alberta	18	1.40	44	3.2
Investment Foundation Ltd. Management type investment trust	18	2.40	b40	6.0
Jockey Club Ltd. Operates several horse race tracks in Ontario	10	0.10	4.00	2.5
Kerr-Addison Gold Mines Ltd. Ontario gold producer	22	0.80	9.50	8.4
Labatt (John) Ltd. General brewing business	17	1.25	37¾	3.3
Lamaque Gold Mines Ltd. Quebec gold producer	23	0.20	b3.30	6.1
Lambert, Alfred, Inc. "B" Manufacturers, wholesalers and retailers of footwear goods	11	0.80	b14½	5.5

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
a Asked.
b Bid.

Canada's New Economic Policy And Prospects for Growth

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Lambton Loan & Investment Co. Oldest mortgage company in Canada. Company also issue debentures and accepts deposits.	118	1.75	31	5.6
Laura Secord Candy Shops, Ltd., new Retail candy chain in Ontario & Quebec—133 stores	35	0.70	16½	4.2
Lawson and Jones Ltd. "B"— Engaged in printing and lithographing, manufactures labels, folding cartons and calendars, etc.	13	1.00	b30	3.3
Leitch Gold Mines Ltd. Ontario gold producer	24	0.06	1.53	3.9
Lewis Bros., Ltd. Wholesale hardware trade in Eastern Canada	16	0.15	7¾	1.9
Loblaw Cos. Ltd. "B" Operates chain of 229 "self-service" grocery stores in Ontario	39	0.475	43½	1.1
Loblaw, Inc. Operates 224 "self-service" food markets in northern New York, Pennsylvania and Ohio	23	0.375	b15⅞	2.4
Lower St. Lawrence Power Co. Quebec electric utility	11	1.00	40½	2.5
Walter M. Lowney Co., Ltd. Chocolate and other confection products	26	1.00	25½	3.9

Companies Which Have Paid Consecutive Cash Dividends From 5 to 10 Years Appear in the Second Table Starting on Page 29

Macassa Mines, Ltd. Ontario gold producer	13	0.15	3.10	4.8
MacLaren Power & Paper Co. "B" Holding company—newsprint, lumbering and power interest	20	1.00	22⅞	4.4
MacMillan, Bloedel & Powell River Ltd. Company formed as a result of merger in December, 1959, of MacMillan & Bloedel Ltd. and Powell River Co. Ltd. Fully integrated lumber business; large exporter	21	0.75	17½	4.3
Madsen Red Lake Gold Mines Ltd. Ontario gold producer	22	0.175	2.29	7.6
Maple Leaf Gardens, Ltd. Owns and operates Toronto sports arena of same name	16	1.20	b28	4.3
Maple Leaf Mills, Ltd. Grain handling; flour milling; operation of bakeries, etc.	16	0.3928	15⅝	2.5
Maritime Telegraph & Telephone Co. Ltd. Operates largest telephone system in Nova Scotia and through subsidiaries in P.E.I.	22	0.90	19⅝	4.6
Massey-Ferguson, Ltd. Complete line of farm implements and machinery	16	0.40	13⅛	3.0
Maxwell Ltd. Manufactures washing machines, dryers, lawn mowers and food choppers	12	0.20	2.25	8.9
McCabe Grain Co., Ltd., com. General grain dealings	15	1.35	b32½	4.2
McColl-Frontenac Oil Co. Ltd. See Texaco Canada Limited Oil production, refining and distribution				
McIntyre Porcupine Mines, Ltd. Ontario gold producer	45	1.00	37	2.7
Midland & Pacific Grain Corp., Ltd. Dealers in grain and operates line elevators in Western Canada	16	1.00	19⅝	5.1
Milton Brick Co., Ltd. Makes first quality face brick	12	0.20	3.15	6.3
Mining Corp. of Canada, Ltd. Holding, exploration & financing company	13	0.70	12½	5.6
Minnesota and Ontario Paper Co. Newsprint, specialty papers and other timber products	15	1.60	32½	4.9
Mitchell (J. S.) & Co., Ltd. General supply house for many industries in Eastern Quebec	27	0.625	b18	3.5
Mitchell (Robert) Co., Ltd. "A" Brass, bronze, nickel and other metal products	14	0.55	9½	5.8
Modern Containers Ltd. "A" Makes tube containers for tooth paste, shaving cream and other semi-liquid products	14	0.75	b10	7.5

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Molson's Brewery, Ltd. "B" Montreal brewer	17	0.90	26	3.5
Monarch Investments Ltd. Operates and owns number of apartment houses	14	2.00	a36¼	5.5
Montreal City & District Savings Bank Operates 48 branches in province of Quebec.	91	2.40	b80	3.0
Montreal Locomotive Works, Ltd. Diesel-electric locomotives and related production	16	1.00	14⅛	7.1
Montreal Refrigerating & Storage Ltd. "B" Operates general and cold storage warehouse in Montreal	16	†1.45	‡	‡
Montreal Trust Co. Executor & trustee, management of securities & real estate	53	1.80	b60	3.0
Moore Corp. Ltd. Business forms, advertising display products, etc.	18	*0.80	56⅛	1.4
Morgan (Henry & Co.) Ltd. Owns and operates department stores in Ontario & Quebec.	19	0.75	39½	1.9
Mount Royal Rice Mills Manufactures and distributes rice products.	16	1.30	29¼	4.4
National Drug and Chemical Co. of Canada, Ltd. Wholesaler of drugs, chemical & general merchandise	21	0.80	15½	5.2
National Grocers Co., Ltd. Ontario grocery wholesaler	20	0.60	b22	2.7
National Hosiery Mills Ltd. "B" Manufactures ladies' hosiery	14	0.04	6	0.7
National Steel Car Corp., Ltd. Railway cars, automobile chassis, etc.	25	0.40	12⅜	3.2
National Trust Co., Ltd. General trust business, also accepts deposits	63	2.00	b86¼	2.3
Neon Products of Canada Ltd. Neon advertising signs	32	0.60	b11½	5.2
New Brunswick Telephone Co. Ltd. Operates telephone system in New Brunswick	53	0.60	b12¾	4.7
Newfoundland Light & Pow. Co., Ltd. Operating public utility	13	2.00	61	3.3
Niagara Wire Weaving Co., Ltd., new Makes wire mesh, cloth, wire weaving machinery, etc.	27	0.80	13½	6.0

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
* Dividend paid in U. S. Currency.
‡ Inactive issue; doesn't trade.
a Asked.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Noranda Mines, Ltd. Copper and gold producer	32	2.00	48½	4.1
Normetal Mining Corp., Ltd. Quebec copper and zinc producer	16	0.27	2.70	10.0
Northern Telephone Co. Ltd. Operates telephone system in 36 centres Northern Ontario and Northwestern Quebec. Dec. 31, 1957, had 48,817 telephones in use	51	0.155	9⅞	1.6
Northland Utilities Ltd. Distributes electric power and gas to several cities in Western Can.	10	0.60	21¾	2.7
Nova Scotia Light & Power Co. Ltd Diverse utility interests in Halifax and vicinity in Nova Scotia	32	0.60	17¾	3.4
Office Specialty Manu. Co. Ltd. Manufactures and distributes office furniture and supplies	16	0.80	15	5.3
Ogilvie Flour Mills Co., Ltd. Mills flour, feeds, and cereals	59	2.25	b54	4.2
Okanagan Telephone Co. Owns and operates local and long distance phone system. At latest report has 22,421 phones in use.	13	0.60	13⅞	4.3
Ontario Loan and Debenture Co. Accepts deposits and sells debentures; invests in first mortgages	91	1.20	b34	3.5
Ontario Steel Products Co., Ltd. Automotive springs, bumpers and plastic products	24	1.40	19½	7.2
Pacific Atlantic Canadian Investment Co. Ltd. Investment trust of Management type	20	0.15	2.75	5.4
Pacific Coast Terminals Co. Ltd. Owns terminal facilities and cold storage warehouse at New Westminster, B. C. Capacity—1,500,000 tons cargo per year	18	3.00	b80½	3.7
Page-Hersey Tubes, Ltd. Industrial pipe and tubing	36	0.90	24⅛	3.7
Pato Consolidated Gold Dredging Ltd. Operates a gold dredging project in Colombia, S. A.	23	0.20	2.27	8.8
Penmans Ltd. Woolen, cotton and silk knitted goods	55	1.80	31	5.8
People's Credit Jewellers Ltd. Retailer of jewelry and associated merchandise	20	0.70	23½	3.0

Continued on page 28

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
b Bid.

Canada's New Economic Policy And Prospects for Growth

Continued from page 27

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Photo Engravers & Electrotypers Ltd. — Photo engravings, electrotypes, commercial photography, etc.	28	0.80	b14½	5.5
Placer Development, Ltd. — Investment—holding company—gold interests	29	0.65	19¾	3.3
Power Corp. of Canada, Ltd. — A utility holding management and engineering company	25	2.00	57½	3.5
Premier Trust Co. — Operates as trust company trustee, etc.	45	8.00	b250	3.2
Price Brothers & Co., Ltd. — Newsprint and related products	18	2.00	50	4.0
Provincial Bank of Canada — Operates 173 branches & 185 agencies in eastern Canada	61	1.45	42	3.5
Quebec Power Co. — Operating public utility	47	1.60	38	4.2
Quebec Telephone — Provides telephone services to some 300 towns & villages in 17 counties of Eastern Quebec	11	1.05	46½	2.3
Quemont Mining Corporation Ltd. — Produces gold, silver, copper, zinc, and pyrites in Quebec	11	0.90	8.65	10.4
Quinte Milk Prod., Ltd. — Wide variety of milk products	13	0.15	b7	2.1
Reitman's (Canada) Ltd. — Through holdings of 3 subs. operates 111 retail clothing stores in Ontario and Quebec	11	0.45	b16½	2.7
Robertson (P. L.) Manufacturing Co., Ltd. — Wide range of screws and bolts	20	0.50	b8½	5.9
Robinson Little & Co., Ltd. — Wholesale and retail merchandising of dry goods & variety store lines	14	0.80	14	5.7
Rolland Paper Co., Ltd. "B" — High-grade bond writing paper & related products	12	0.1563	12	1.3
Royal Bank of Canada — Operates 969 branches throughout the world	93	2.425	75¾	3.2
Russell Industries Ltd. — Holding company — machine tool interests	26	0.60	10½	5.7
St. Lawrence Corporation Ltd. — Newsprint and allied products	11	1.00	24	4.2
Sangamo Co., Ltd. — Electric meters, motors, switches, etc.	25	0.55	b9	6.1
Scythes & Co. Ltd. — Manufactures cotton and wool waste, cotton, wipers, etc.	26	1.00	b11	9.1
Shawinigan Water and Power Co. new — Quebec electric utility	55	0.80	25¼	3.2
Sherwin-Williams Co. of Canada, Ltd. — Paints, varnishes, enamels, etc.	20	1.20	32	3.7

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Sicks' Breweries Ltd. — Beer, ale, stout and carbonated beverages	34	1.20	b24¼	4.9
Sigma Mines (Quebec) Ltd. — Quebec gold producer	22	0.175	4.40	4.0
Silknit Ltd. — Lingerie, swim suits and other rayon products	14	1.00	b18½	5.4
Silverwood Dairies, Ltd. "A" — Full line of dairy products	15	0.60	11½	5.2
Simpson's Ltd. — Owns and operates through subs dept. stores in Canada	16	0.725	29⅞	2.4
Siscoe Mines Ltd. — Holding Co. with interest in various mines located in Ontario and Quebec	12	0.07	1.45	4.8
Slater Industries Ltd.	24	†0.40	7⅞	5.1
Slater (N.) Co., Ltd. — Pole-line hardware for power companies; also metal stampings and forgings — Succeeded by Slater Industries Ltd.				
Smith (Howard) Paper Mills Ltd. — Pulp and paper manufactures in Canada	17	1.20	47½	2.5
Southam Co., Ltd. — Publishes seven daily newspapers across Canada; operates three radio stations	26	0.80	30	2.7
Southern Canada Power Co., Ltd. — Operating public utility; Southern Quebec	39	2.50	a55	4.5
Sovereign Life Assurance Co. of Canada — Life and endowment insurance	43	2.50	b220	1.1
Standard Paving & Materials Ltd. — General paving contractor	14	0.80	b13¾	5.8
Standard Radio Ltd. — Through subsidiaries owns and operates radio and short wave stations in Canada	21	0.75	b19¼	3.9
Stanfield's Ltd. "B" — Manufactures woolen & rayon underwear and hand knitting yarns	24	0.80	b13¾	5.8
Stedman Brothers Ltd. — Wholesale and retail small wares business	27	1.20	43	2.8
Steel Co. of Canada, Ltd. — Engaged in all branches of steel production	46	2.40	73¼	3.3
Sterling Trusts Corp. — General fiduciary business	25	2.30	b73	3.2
Stuart (D. A.) Oil Co., Ltd. — Makes extreme friction lubricants and related products	22	1.50	b22	6.8
Supertest Petroleum Corp., Ltd. "Vot. Com." new — Markets petroleum products in Ontario and Quebec	36	0.05	b3.25	1.5
Tamblyn (G.) Ltd. — Operates chain of 128 drug stores	25	1.05	22	4.8
Teck-Hughes Gold Mines, Ltd. — Ontario gold producer	36	0.10	1.64	6.1
Texaco Canada Limited — Oil production, refining and distribution	18	1.60	65	2.5

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
a Asked.
b Bid.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
Third Canadian General Investment Trust Ltd. — Investment trust of the management type	33	0.25	7¾	3.2
Toronto-Dominion Bank — Operates 544 branches, 541 in Canada, one in New York, Chicago, and one in London, Eng.	104	2.00	63⅝	3.1
Toronto General Trusts Corp. — General fiduciary business	78	1.60	72¼	2.2
Traders Finance Corp., Ltd. "B" — Purchases installment sales obligations	15	2.40	b51½	4.7
Union Gas Co. of Canada, Ltd. — Production, storage, transmission and distribution of natural gas	13	0.475	18½	2.6
United Amusement Corp., Ltd., "A" — Operates 34 motion picture theatres in Montreal and other Quebec cities	37	0.65	13	5.0
United Canadian Shares Ltd. — Holding co. — insurance interests	37	0.80	b16.15	5.0
United Corporations Ltd. "B" — An investment trust of the management type	21	0.90	24½	3.7
Upper Canada Mines Ltd. — Ontario gold producer	22	0.03	1.38	2.2
Ventures Ltd. — Holding, investment, promotion, exploration and development co.	13	0.60	47⅞	1.3
Viau Ltd. new — Biscuits and confectionery	15	0.80	14	5.7
Victoria & Grey Trust Co. — Operates as trust company	11	1.50	53	2.8
Waite Amulet Mines, Ltd. — Quebec copper-zinc producer	22	0.80	6.35	12.6
Walker (Hiram)-Gooderham & Worts, Ltd. — Holding company—extensive liquor interests	26	1.75	52	3.4
Westeel Products Ltd. — Manufactures sheet metal	21	0.55	b9¾	5.6
Western Canada Breweries, Ltd. — Serves four western provinces	25	1.20	32½	3.7
Western Plywood Co. Ltd. "B" — Manufactures and sells veneer & plywood. Plant in Vancouver	14	0.40	b10	4.0
Westminster Paper Co., Ltd. "B" Common — Wide range of paper specialty products	29	0.75	b42	1.8
Weston (George) Ltd. "B" — Fine biscuits, bread, cakes, confectionery, etc.	32	0.2333	20⅝	1.1
Wood Alexander Ltd. — Operates wholesale hardware business	11	0.30	b4.00	7.5
Wood, John, Industries Ltd. "A" — Holding Co. Subs. Canada & U. S. mfr. water heaters, oil trade equipment, etc.	19	1.60	26	6.2
Woodward Stores (1947) Ltd. — A holding company which operates seven departmental stores in western Canada through subsidiaries	14	0.40	20¼	2.0
Zeller's Ltd. — Operates chain of 61 specialty stores across Canada	21	1.40	40	3.5

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

Finance Courses At New School

The New School is offering a course in Personal Investment Problems for women to be conducted by Dr. Jerome B. Cohen, and Peter Bernstein. This will be given Wednesday mornings beginning Sept. 27 and will include: How to manage a personal portfolio; How to judge degrees of risk; When to buy and sell; Selecting the industry and company; How to pick securities best suited to the individual investment objective, mutual funds; Dollar averaging; Real estate investments, etc. Fee for the course is $50, plus a registration fee of $6.

A course in Current Export-Import Practices and Financing will be given by Albert E. Meyer, President of the Park Bridge Corporation, beginning Oct. 5 at 8:30 p.m. Fee is $30, including registration.

TABLE II

CANADIAN

(Listed and Unlisted)

Common Stocks

On Which
CONSECUTIVE CASH
DIVIDENDS
Have Been Paid From

5 to 10 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961 —Canadian $ § —	Quotation June 30, 1961♦ —Canadian $ § —	Approx. % Yield Based on Paymts. to June 30, 1961
American Nepheline Ltd. Name changed to Industrial Minerals of Canada Ltd.				
Algoma Steel Corp. Ltd. Owns & operates fully integrated plant for iron, steel, coke & by-products. Also iron mines & subs. operates coal mines.	5	1.20	43	2.8
Anglo Canadian Oils Ltd. Owns & operates refinery in Brandon, Man. Distributes and sells through company owned stations & agents	7	1.00	b41	2.4
Anglo Scandinavian Investment Corp. of Canada Operates as an investment company	6	0.25	b9⅛	2.7
Anthes-Imperial Co., Ltd. "A" Manufactures and distributes pipe and fittings for soil, water and air. Also boilers, radiators and steel scaffolding	7	1.44	b34	4.2
Atlas Steels Ltd. Major producer of wide range of alloy & tool steels & stainless steel with plant at Welland, Ont. Subsidiaries operate in England, Mexico, has interest in similar operation in Belgium.	6	1.25	31½	3.9
Bowes Company Ltd. Manufacturers, importers and wholesalers of confectioners' and bakers' supplies	7	1.50	b32	4.7
Bralorne Pioneer Mines Ltd. Owns 2 producing gold mines, Cadwallader Creek, Bridge River area British Columbia	7	0.40	6.05	6.6
Bridge & Tank of Canada Ltd. Directly and through subsidiaries designs, erects & fabricates buildings, bridges, etc.	6	0.40	5⅝	7.1
Bright, T. G., & Co. Manufactures Canadian Wines, owning 1,500 acres of vineyards in Ontario. Plants in Niagara Falls, Ont. and Lachine, Que. Storage capacity 5,000,000 gals. Also operates 14 retail stores.	5	1.00	55	1.8
British Columbia Packers Ltd. "B" Packs Salmon, clams, oysters, etc. with plants in British Columbia, Nova Scotia and Manitoba. Brand names are "Clover Leaf" and "Rupert Brand."	7	1.00	b15½	6.4
Bulloch's Ltd. "B" Manufactures warm air furnaces using gas oil or coal with plant in Winnipeg.	6	0.35	b4.50	7.8
Calgary Power Ltd. Alberta power utility	6	0.40	29	1.4
Canada Crushed & Cut Stone Ltd. Processes crushed stone, chemical stone, agriculture limestone. Produces bituminous asphalt. 3 quarries in Ontario. Warehouse and docks at Hamilton, Ontario.	5	0.20	15	1.3
Canadian Arena Co. Operates Montreal Forum	6	4.00	200	2.0
Canadian Drawn Steel Co. Ltd. (The) Converts hot rolled carbon and alloy steel bars into cold drawn and cold rolled steel and turned and polished shafting. Plant and storage buildings in Hamilton, Ont., approximately 87,000 sq. ft., capacity 36,000 tons annually.	7	1.00	b15	6.7
Canadian General Securities Ltd. "B" Investment holding company	7	1.00	b22	4.5
Canadian Ice Machine Co. Ltd. Engaged in air-conditioning and refrigeration field from manufacturing to installations	10	0.10	8	1.2
Canadian Wallpaper Manufacturers Ltd. "B" Manufactures wallpapers. Through subsidiaries operates wallpaper & paint stores.	6	1.50	b32⅝	4.6
Carter, James B. Ltd. "B" Manufactures & markets automatic electrical, farm & heat transfer products & acts as exclusive representative for allied products. Plant in Winnipeg.	7	2.00	b50	4.0
Combined Enterprises Ltd. Owns & operates companies mfg. food flavors, paints, industrial rubber goods, moulded drug sundries, elevator gears & machinery. Plants in Montreal, Toronto and Farnham, Ont.	9	0.60	11¾	5.1
Consolidated Bakeries of Canada Ltd. Holding Co. through subs. operates 19 bakeries in Ontario & Quebec	9	0.50	9¾	5.1
Consolidated Discovery Y'knife Mines Ltd. Gold producer, Yellowknife Dist., N. W. T.	8	0.24	2.61	9.2
Copp Clark Publishing Co., Ltd. Prints and publishes books and prints and lithographs other specialized printed material.	5	0.50	8	6.2
Craig Bit Co. Ltd. Manufactures and sells detachable bits for rock drilling and carbide drill rods	7	0.08	1.35	6.0
Dickenson Mines Ltd. Gold producer Northern Ontario	8	0.17	2.75	6.2
Dominion Electrohome Industries Ltd. Manufactures and sells radios, phonographs, television, electric fans, electric motors and allied products	7	0.20	6¾	3.0
DuPont of Canada Ltd. Manufactures chemicals, textile fibres, commercial explosives, etc.	8	0.50	21⅞	2.3

Continued on page 30

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
b Bid.

Carrington III With Boenning

William G. Carrington, III, has joined the New York office of Boenning & Co., 111 Broadway, as Manager of the municipal bond department. Mr. Carrington was formerly with Vilas & Hickey.

Robert Garrett to Admit C. M. Boyce

BALTIMORE, Md.—Robert Garrett & Sons, South & Redwood Streets, members of the New York and Philadelphia-Baltimore Stock Exchanges, on Oct. 1 will admit C. Meredith Boyce to partnership. Mr. Boyce is Executive Vice-President of the Mercantile-Safe Deposit and Trust Company.

Hill, Darlington To Admit Two

Hill, Darlington & Grimm, 2 Broadway, New York City, members of the New York Stock Exchange, on Oct. 1 will admit Lee B. Peterson, Jr. of Miami Beach, and Carl Sholtz of Ft. Lauderdale to partnership in the firm.

W. E. Hutton to Admit Partner

Clinton J. Coombs will acquire a membership in the New York Stock Exchange and on Sept. 28 will become a partner in W. E. Hutton & Co., 14 Wall Street, New York City, members of the New York Stock Exchange and other exchanges.

The Chartered Banks of Canada: An Appraisal

Continued from page 3

value calculation. It appears clear, however, that the trend of par value below the unfortified boundary line is toward relatively low figures of $10 to $20. The strength of the trend toward low par value figures in the United States is suggested by the fact that the world's largest bank, the Bank of America, employs a par value of $6.25. The day may not be remotely distant when a par value of $10 will predominate in the United States. The Dominion influence is salutary.

The decennial revision of the Canadian Bank Act as a legislative practice deserves brief but pointed reference.

The Decennial Revision

While it is difficult to assess the advantage and value of the decennial revision of the Bank Act, it is clear that such revision gives assurance that banking regulation harmonizes with the changing pattern of the economy.

The period of a decade is of appropriate length. A thorough study by Parliament makes possible modification of the basic banking law to suit changing conditions within the economy, whether of a major or minor nature; whether the change arises from a nascent and rapidly expanding gas and petroleum industry or from the domains of grain, lumber, and livestock. The decennial revision provides opportunity for the selection and implementation of improvement proposals as an aggregate. The consideration is both extensive and intensive. Intermediate legislative action may provide more or less minor correction; the decennial revision is at once comprehensive, detailed, and careful.

An interesting feature of the Canadian banks, uniform accounting methods, has emerged without specific legislative action.

Uniform Accounting Methods

In recent years substantially uniform accounting methods have been adopted by the Chartered banks for reserve purposes as well as for other ends. The paper work is done largely by the banks and the size of the staff in the office of the Inspector-General has been commensurately small. The work of the Inspector-General has thus been simplified and expedited.

Early in the history of the office of the Inspector-General a decision had to be made as to whether "there should be a very large staff to do the work or whether the banks should be asked to do most of the paper work for us."[2] The decision was in favor of a small staff and heavy reliance of the Inspector-General on frequency and detail of reports. Uniformity of accounting methods contribute to the success of the existing type of supervision and examination, involving as it does, the work of the Inspector-General and his office, that of the shareholders' auditors, and the aid and cooperation of each of the Chartered banks with its inspectors, credit officers, district supervisors, branch managers, and general manager. The Inspector-General's study of reports precedes his actual examination of the bank. His emphasis is placed on loans and reserves.

Inner or Undisclosed Reserves Serve As Extra Ballast in Stress and Storm

Banking is contradictory in its terminology. The term reserve is used with sharply different meanings. Reserve, when an asset means cash or its immediately convertible equivalent, e.g., credit on the books of the Bank of Canada. In contrary fashion, the same term, reserve—as a liability—may stand as an accounting allowance for a loss, or for a contingency, or for merely an accrual. Then, in the case of an undisclosed or secret reserve, the term may mean the deliberate cutting down of an asset value or values below real value and treating the reduced valuation as if correct. The secret reserve involves concealed asset value. Secret or undisclosed reserves are in tune with extra concern and extra caution for the safety of depositor and other creditor interests.

Considerations Involved in the Canadian Banker's View of Secret Reserves

In the domain of Parliamentary discussion few, if any, topics receive the attention accorded secret reserves. The case for their retention is presented vigorously by the bank representatives and scrutinized minutely by committeemen and members generally. The following points are of vital importance.

(1) Little harm may derive from having the bank stronger than its financial statement indicates.

(2) It is a point of strength that a smaller volume of profit is made available for distribution to shareholders when the secret reserves are augmented.

(3) When profits are employed in swelling the secret reserves, within definitely fixed limits those profits are income-tax free.

(4) Secret reserves prepare even for losses that in the banker's finite judgment may never come.

(5) The reputation of the banks for stability is a national asset of the first importance to the community in general.

(6) History has demonstrated the advantage of the banks being able to present a reasonably stable position in time of violent and sudden stress.

(7) It is almost obvious also that adequacy of strength is conducive to optimum freedom of credit extension.

(8) The inner or secret reserve provisions of Canadian banking law constitute a strong incentive to capital-structure enlargement.

(9) The tax economies are substantial.

(10) Funds devoted to the building of secret reserves are withdrawable only upon the payment of the appropriate (exigible) tax. Only upon the payment of this tax may the amounts involved be placed in the published balance sheets or distributed to shareholders.

The absence in Canada of an institution with the function of our Federal Deposit Insurance Corporation also argues in favor there of undisclosed reserves.

Variable Reserves, a Factor of Strength for the Chartered Banks

The 1954 revision of the Bank Act conferred upon the Bank of Canada power to vary primary

Continued on page 31

2 C. F. Elderkin, Inspector-General of Banks, Minutes of Proceedings and Evidence, House of Commons, Standing Committee on Banking and Commerce, No. 20, p. 951.

Canada's New Economic Policy And Prospects for Growth

Continued from page 29

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
		—Canadian $ § —		
Eddy Paper Co Ltd. new com. Holding Co. through wholly owned subs. operates pulp & paper mills.	5	0.60	60	1.0
Edmonton Concrete Block Co. Ltd. Manufactures concrete blocks and lightweight aggregate. Capacity is 20,000 8-in. blocks per day	7	0.24	3.50	6.9
Giant Yellowknife Mines Ltd. Gold producer Yellowknife area, N. W. T.	9	0.40	11	3.6
Highland Bell Ltd. Owns producing silver-lead-zinc-gold property in British Columbia.	5	0.10	2.00	5.0
Hi-Tower Drilling Co. Ltd. Operates as contract driller for oil & gas wells. Owns 9 modern rigs capable of drilling from 4500 ft. to 10,000 ft.	6	0.80	13	6.1
Hughes-Owens Co. Ltd. "B" Mfg. & retailer of drafting equip. scientific instruments & artists' supplies	9	0.25	a11	2.3
Industrial Minerals of Canada Ltd. Mines and processes nephaline syenite for use in glass and ceramic trade in Ontario.	9	0.02	3.50	5.7
Interprovincial Pipe Line Co. Owns and operates crude oil pipeline from Red Water, Alta. to Superior, Wis. and Sarnia, Ont. 1,930 miles	9	2.90	72	4.0
Investors Syndicate of Canada Ltd. Issues and distributes investment certificates. Also acts as manager & distributor on fee basis.	5	0.80	52	1.5
Jamaica Public Service, Ltd. Holding company. Holds all common stock of Jamaica Public Service Co. Ltd. which serves Jamaica with light & power from 2 steam electric, 5 hydro-electric and 4 diesel power generating stations. Capacity 66,645 hp.	9	1.125	b33	3.4
Labrador Mining & Exploration Ltd. Has leases on extensive iron ore prospect acreage in Labrador. Also holds interest in producer, Iron Ore Co. of Can. and receives royalties on all ore produced. Co. also has right to ship ore for its own account.	5	0.25	23½	1.1
Manitoba and Saskatchewan Coal Co. Ltd. "B" Mines and wholesales lignite coal. Capacity: 850,000 tons per year.	7	0.40	b6	6.7
New Dickenson Mines Ltd. Name changed to Dickenson Mines Ltd. share for share exch.				

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
b Bid.
a Asked.

Canada's New Economic Policy And Prospects for Growth

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1961	Quotation June 30, 1961♦	Approx. % Yield Based on Paymts. to June 30, 1961
		—Canadian $ § —		
Northern Quebec Power Co. Ltd. Generates & distributes power in N. W. Quebec mining areas. Operates five electrical merchandise stores. Servies 15,574 customers.	6	1.75	32⅞	5.2
Northwest Industries Ltd. Engages in overhaul and repair of aircraft, aircraft instruments and accessories	9	0.17	2.10	8.1
Ocean Fisheries Ltd. Holding company. Through subsidiaries operates in fishing, processing and marketing seafood fish and fish byproducts	6	0.225	b9.75	2.3
Oland & Son Ltd. "B" Directly and through subsidiaries operates 2 breweries in Halifax & one in St. John, N. B.	9	0.25	b13.50	1.9
Parker Drilling Co. of Canada Ltd. Owns & operates oil drilling rigs in Western Canada	9	0.35	4.45	7.9
Rapid, Grip & Batten Ltd. Photo engravings, electrotypes, commercial photography, etc.	7	0.60	7⅜	8.1
Reeves Macdonald Mines Ltd. Lead-zinc-silver-cadmium property in British Columbia	6	0.20	1.68	11.9
Salada-Shirriff-Horsey Ltd. Directly & through subsidiaries manufactures. processes & sell extensive variety of food products. Has four plants in Canada, four in U. S. A. and one in Jamaica.	6	0.27	18½	1.5
Shop & Save (1957) Ltd. Holds supply depot franchise for 150 stores in Quebec, and holds controlling interest in 26 retail stores to be incorporated into company.	6	0.20	7⅜	2.7
Sun Publishing Co. Ltd. Publishes The Vancouver Sun, 216,500 circulation and has other varied interests.	9	†0.1125	13½	0.8
Switson Industries Ltd. Mfgs. vacuum cleaners, floor polishers, gas heaters, furnaces, etc.	9	0.14	1.70	8.2
Thompson Paper Box Co. Ltd. Company and subsidiary manufacture a wide range of paper boxes	6	0.18	5½	3.3
Union Acceptance Corp. Ltd. Purchases installment obligations of motor vehicle & household equipment purchases. Subs. operate loan divisions.	5	0.75	10¾	7.0
United Keno Hill Mines Ltd. Silver-lead-zinc-cadmium producer, Yukon	8	0.40	9.15	4.4
Western Canada Steel Ltd. Holding company. Subsidiaries producers small steel bars, small structural shapes, nuts, bolts, rivets, spikes and bands. Company also has interest in Hawaiian Western steel Ltd. Total capacity of subsidiaries 182,000 tons.	7	0.30	8¼	3.6
Willson Stationers & Envelopes Ltd. Company and subsidiaries carries on stationery and office supply business. Factories at Winnipeg, Regina, Edmonton and Vancouver	6	2.00	b43½	4.6
Woodward Stores (1947) Ltd. Class A A holding company. Through subs. operates 8 department stores in B. C. & Alberta.	5	0.40	20¼	2.0

♦ Quotations represent June 30, 1961 sale prices or the last sale price prior to that date. Bid and ask quotations are as of June 30, 1961.
§ Add current Canadian Exchange Rate.
† Adjusted for stock dividends, splits, distributions, etc.
b Bid.

The Chartered Banks of Canada: An Appraisal

Continued from page 30

reserve requirements of the Chartered banks from 8% to 12%.

The variability of such required reserves may well be thought of as an element of strength inasmuch as the monetary management is given an additional instrumentality for stabilizing the factors upon which the money market depends.

William McChesney Martin, Chairman of the Board of Governors of the Federal Reserve System of the United States, has referred in conversation to variable reserve requirements as the anvil, and to open market operations as the hammer, in the attempt to influence the money supply and other economic factors.

Variable reserve requirements may conceivably be invoked in the commendable and progressive effort firmly to establish a short-time money market in the Dominion.

Next occupying our attention will be a matter pertaining to the administration of personnel.

Long Existing Policy of Extensive Shifting of Personnel from Branch to Branch Has Had Peculiarly Favorable Consequences

A long-standing policy of the Chartered banks has involved the frequent transfer of branch managers and other staff members. Frequency of transfer has long been regarded as indicating satisfactory service and evidence of progress on the part of the transferee. A smile breaks over the face of a branch manager as he reports "nine transfers in 11 years," as a record of which he is proud.

On the matter of transfers and their benefits there appears to be no disagreement among the individuals moved. Experience in changing and changed environment, they are convinced, develops and reinforces ability, especially in the matter of lending. The man in the head office must be an anlyst in many lines. Unless he has served in the wheat country, he could only faintly appreciate the meaning of a 25% crop. A novice could quickly "get his feet wet" in tobacco on account of an untimely frost, as at, let us say, Delhi, Ontario.

Moving from locality to locality is hard on the family, but developmental for the future officer of the bank. "Let a manager be moved from a lumber area, to wheat country, to mixed agriculture, to tobacco, to fish, to trade and industry, and he is not very likely to 'lose his shirt'," asserted one thus experienced.

The manager's enhanced ability finds reflection in reduced losses for his bank, and to society; and in his power to make decidedly constructive suggestions to borrowing customers and others who seek his counsel. Many a businessman in the Dominion has reason for gratitude to his "banker" for hints and suggested aids that have been decisive in their benefits to the customer and to the community.

The educational effects of transfers of personnel in the Chartered banks, whose branches in a majority of cases extend "from sea to sea," works powerfully toward a management capability of an eminently high and constructive character. We are dealing here with a factor that contributes in more than a minor way to the prosperity of the economy, including the banks themselves.

As the prospective manager moves from branch to branch, and possibly to head office, he is destined to be associated with one or more personable and friendly managers who are also able and inspiring teachers. The young banker in Canada thus becomes an able solver of problems, partly because of the wide geographical, business, and social environment in which he acquires his professional training and experience. Banking provincialism is dissipated; the manager-to-be is exposed to the know-how of the Dominion—and sometimes, of regions beyond.

Limited and Controlled Banking Concentration Tends to Affect Favorably the Various Interests Involved

Concentration of banking power tends to become pronounced where branch banking holds sway. The force of branch banking is centripetal. In England the amalgamation movement was sharply checked in 1918 when the banks agreed to merge no further without submitting proposals to the Treasury for approval. In Canada the mode of concentration control is somewhat firmer in nature, as the Minister of Finance may flatly withhold approval.

In both England (and Wales) and Canada the concentration advantages have been achieved to approximately the same degree. In each country five banks in point of deposits and resources hold similar positions of eminence, in possession of roughly 85-90% of the items mentioned.[3]

It is understandable that amalgation which results in union of equals, as in the case of the Toronto-Dominion Bank, may intensify competition, as the newly formed bank, with its doubled resources, is in improved position to meet the heavy credit requirements of firms that might otherwise be lost as customers. Indeed it is reported that one of the factors underlying the Toronto-Dominion "marriage of equals" was the inability of the banks separately to match the expanding credit needs of their very large borrowers. Adequacy of size seems compatible with the retention of normal competition. Meanwhile any redundant and overlapping branches may be kept more nearly at a minimum.

Borrowers' Interests

Where bank absorption takes place, as typified by the assimilation of the Bank of British North America by Bank of Montreal in 1918, borrowers may feel inconvenienced or handicapped as a consequence of improved and, conceivably, more stringent methods of credit allocation. Even here the borrower's own higher interests may well be served by more intelligent and more cautious lending policies. Many borrowers are incapable of determining their own optimum credit needs. When the amalgamation involves equals, as in the Canadian case of 1955, borrowers seem clearly to be advantaged as the united institution is better able adequately to meet borrowers'

Continued on page 32

3 The five largest in CANADA: the Canadian Imperial Bank of Commerce, the Royal Bank of Canada, Bank of Montreal, the Bank of Nova Scotia, and the Toronto-Dominion.
In ENGLAND the "Big Five" are the Midland, the Westminster, Barclays, Lloyds, and the National Provincial.

The Chartered Banks of Canada: An Appraisal

Continued from page 31

needs of whatever dimensions. In brief, borrowers tend to enjoy a net benefit.

Depositor Interests

Amalgamation should confer some benefit on depositors. Physical facilities are up-graded, and weakest and least efficient branches are marked for possible discontinuance, the *overall* network of branches is expanded, facilitating the transfer of funds. As we shall now see, the merger movement results in an increased capital structure.

Interests of Shareholders

Whether in Canada, the United States, or England, an announcement of a bank merger has tended to raise the price of the shares of the banks involved. The explanation is basically that earnings will be increased as a result of economies and managerial improvements. Amalgamations pave the way for aggregate cost reductions, at the head office in particular. In the higher executive and administrative levels two *tend* to give way to one. Duplicative branches can be eliminated; rents, insurance, lighting, heating, water, janitor service, unit costs of supplies, and taxes can all be pared. Reduced will be the unit outlay for advertising, whether radio, television, newspaper and other publications, or printed materials in the form of calendars, folders, etc. Exhibition and contest prizes fall into the same category. Expanded use of "machine banking" follows on the heels of expansion in the size of branches. All of these economies are usually accomplished without a disturbing reduction in staff. Increased earnings favor increased capital structures.

Interests of Employees

Fusions arouse apprehension among employees and exact arduous and nerve-wracking effort on their part. An employee of one of the Joint Stock banks of England said to the writer, "I have been through three mergers, and hope I'll never have to go through another." The key disturbing forces appear to be work and worry.

What will be the status of the staff member when the transition period is over and the absorption or union is consummated? His fears tend to be great but groundless. Resignation, retirement, illness, accident, and other factors quickly erase any redundance of working force resulting from fusion.

Two circumstances should temper concern and anxiety during the period of transition. One is that economies and enhanced efficiency may find reflection in augmented bank earnings, which are not opposed to augmented remuneration. The other, that the opportunity ceiling of the fused bank will be appreciably higher than prior to "the courtship and marriage."

In the infrequent instances of amalgamation of equals, the staff member's feeling of having been "let down" seems ill founded, as his bank will have taken no greater stature, will enjoy greater prestige and greater capacity for service to the public.

Finally, all of the interest involved appear clearly to benefit from a kind of cleansing, purging, or purification process that precedes the amalgamation. Each of the merging banks readies itself for the coalition. Each in a figurative sense may remove skeletons from the closet, burnish brass, and clean casements and corners. For the merged banks a new era begins.

Branch Banking, With its Tendency Toward Concentration Has an Affinity for Attractive Architecture

It is not a mere accident that bank architecture in the towns and cities of Canada is of a definitely meritorious character. Competitive pride combines with the ability of large and concentrated units to defray the cost of the practical and functional interlocked with the artistic and elegant.

Conspicuous among the great and beautiful bank buildings of North America are the head office structures of such institutions as the Bank of Nova Scotia, the Canadian Bank of Commerce,[4] the Royal Bank of Canada, and the recently completed head office of the Bank of Montreal.

It is a fact of appreciable significance that the erection and operation of a well designed banking house commonly enhances the value of property in its neighborhood. The dull and drab of the commonplace give way to neatness, order, and architectural charm.

A substantial degree of banking concentration seems requisite to bank architecture of a distinctive and superior variety. As to architecture, atmosphere, relative position, and other items pertaining to these banks of branches there is no lack of rivalry.

Competition Among the Banks

Competition among the eight Chartered banks is almost fiercely intense. Each branch manager is steadily trying to acquire virgin customers and to pry existing customers loose from competitors. In rare instances, competition takes the form of a lower rate to borrower; at times, to extending a larger line of credit. In the latter type of case the bank manager would ordinarily find it difficult, but not quite always impossible, to persuade head office to go along with a larger line.

Service as a competitive force often takes the form of attempting to give superior counsel. The branch manager who is intimately familiar with farming operations, for example, may impart invaluable suggestion in such a matter as enabling the borrower to see clearly that liquid resources must be in satisfactory ratio to those of a fixed nature.

Another competitive device may be the retention by the bank of cancelled checks, for years; a protection to the depositor in many possible instances, "as when your physician dies and his estate sends you a bill. The bill has been paid, but at my home such checks might easily get lost, and payment a second time might be legally exacted."

Branches constitute an almost ubiquitous weapon of competition. They are the reservoirs into which flow the deposited funds upon which banks operate. Of the branches some may be mainly protective in their role.

Let us consider a hypothetical bank. Our bank may establish a branch in a residential area in order to protect ourselves against the coming of a competitor that would enroll as depositors the wives of our good friends, working through the wives, to secure a portion of the husbands' business bank balances. We strive to protect ourselves against such possible escape of deposits from our records.

4 A merger of this bank with the Imperial Bank of Canada was consummated as of June 1, 1961. The amalgamated institution, the Canadian Imperial Bank of Commerce, has total resources of appreciably more than $4 billion and branches numbering approximately 1,250.

The very number of branches is indicative of keenness of competition. With one branch for every 3,200 of the population, it is rather obvious that an adequacy of branches exists. Canada is far better banked on a population basis than either England or the United States. The present number of branches, approximately 5,000, is increasing.

While the interest rate paid on savings deposits by the Chartered banks is uniform, they are competitive with such institutions as mortgage loan companies, trust companies, credit unions, and provincial savings offices.

It may be said, in a word, that commercial bank competition in Canada is not unrestrained, but ceaseless and dynamic. The branch manager these days, in many instances, must aggressively seek out potential customers. He must often leave his desk and take to his car.

The Sub-Branch as a Competitive Instrument and Aid to Flexibility Of Banking Service

The sub-branch is an aid to flexibility of service and a penetrative force in the competitive struggle. Open only a portion of the time—one, two or three days per week—the sub-branch is ancillary to a branch. As the seat of a sub-branch may have insufficient volume of business to support a branch, the services of a branch are brought to the community on a part-time basis.

The records and "work" of the sub-branch are carried back to the branch from which they stem and made a part of the branch operation. It is an example of service at the branch level of excellence on a part-time basis. The sub-branch enables the bank, through a branch, to extend its service into comparatively small and relatively remote communities. The sub-branch is in itself evidence of eagerness to render high-quality banking service beyond the normal limits of such service.

Under conditions of community expansion and prosperity the sub-branch, in time, may blossom into full branch status. The sub-branch extends territorially the power of the branch to which it is attached.

The Chartered Banks Have Tended to Maximize Productivity

The Canadian System of Chartered banks is almost ideally designed to distribute available funds in proportion to potential productivity and effective demand. The eight banks and their 4,700 branches resemble a system of interconnecting pipes through which funds may freely pass from points of relative plethora or redundance to points of comparative scarcity and high effective demand. Funds have been readily and with minimum cost piped from the older, capital-accumulating provinces of the East to the historically capital-short provinces of the West. Not only have Canadian progress and prosperity been advanced as a result of the easy and almost costly shifting of funds; productivity has *tended* to be maximized.

In seekling their own profit, the Chartered banks have effected an inter-community and interprovince flow of funds that has strongly aided the maximum economic and business development of the Dominion.

To this unimpeded and beneficient flow of capital the inauguration and operation of the Bank of Canada has given accent.

In Conclusion: Merits and Defects

The strong features of the Chartered banks have been set forth. What are the weaknesses? There are three: failure to distinguish sharply between demand and savings deposits; a slight deficiency of broadly trained men within the younger stratum of employees; and an over extension of branches.

The first of these defects is in process of correction. In the comparatively near future a sharp line of distinction between demand and savings deposits will have been established. The bankers clearly recognize the weakness, and correction is assured. Soon, it is believed, checks will no longer be drawn against savings deposits.

The weakness with reference to an insufficiency of able young men in the lower ranks of employees is not conspicuous and is on its way to correction.

The third weakness, an over-extension of branches, is of easy exaggeration. However, there seems to be an inferior utilization of resources, human and material: not wholly unlike our own involved in an excessive number of gasoline stations, and our advertising that bears evidence at times of quantitative excess—"necessary evils" lurking in our system of free enterprise.

When these minor defects are being evaluated, sight should not be lost of the major merits that enabled the Chartered banks to weather without failure the most severe storms in banking history.

In pondering the adaptability of the Canadian branch banking arrangements to requirements in the United States our legislators will do well to keep in mind the desirability of an evolutionary series of changes rather than radical or revolutionary alterations. Particularly in states like Illinois, Missouri, and Texas, branches should be restricted to city, to county, or at most, initially, to contiguous counties.

The disposition of the Dominion supervisory authorities apparently to favor rough equality of size among banks is highly defensible on firm grounds of banking theory. The merger movement should find its limit in the force of public opinion, as has been effectively demonstrated in English banking for more than 40 years.

Any comprehensive attempt to improve the banking arrangements of the United States should take into account the history, development, and success of the inherently storm-proof Chartered banks of Canada.

Futures Unlimited of Fla.

CORAL GABLES, Fla.—Futures Unlimited of Florida, Inc. has been formed with offices at 3280 Ponce de Leon Boulevard to engage in a securities business. Officers are Eugene J. Dunningan, President; Jess Tipping, Vice-President; Alliston D. St. Clair, Secretary-Treasurer; and Walter R. Cunningham, Comptroller. Mr. Dunningan was formerly a divisional manager for Waddell & Reed, Inc.

Kelleher Forms Co.

BELMONT, Mass. — Richard M. Kelleher is engaging in a securities business from offices at 21 Elm Street under the firm name of Kelleher & Co. He was formerly with Godfrey, Hamilton, Magnus Co.

Form General Funds

MIAMI, Fla.—General Funds Inc. has been formed with offices at 20245 South Dixie Highway to engage in a securities business. Officers are Teddy King, President; Pauline Jernigan, Vice-President and Rose King, Secretary-Treasurer.

Milman-Kreisberg Assoc.

Milman-Kreisberg Associates has been formed with offices at 550 Fifth Avenue, New York City, to engage in a securities business. Partners are Richard H. Milman and Charles M. Kreisberg.

J. M. Dain & Co. Names Officials

MINNEAPOLIS, Minn.—James M. Dain, Chairman of the Board of the J. M. Dain & Co., Inc., 110 South Sixth St., has announced the election of three new officers and one new director.

Raymond B. Garcia

Raymond B. Garcia, head of the firm's trading department, was elected Vice-President as was Henry W. Norton, Jr. who is manager of the Dain research department. Mr. Garcia has been with the company for 10 years. He is a former President of the Twin City Security Traders Association and was the 1959 National Essay winner at the Wharton School of Finance sponsored by the Investment Bankers Association. Mr. Norton was elected President of the Twin Cities Society of Security Analysts in June of this year. He has been with Dain for seven years.

Edwin C. Braman, director of Dain advertising, public relations and sales administration was elected to the position of Assistant Secretary-Treasurer. He joined the firm in June of this year, and was formerly regional catalog sales office manager for Sears, Roebuck and Co., for over 12 years.

J. Phillip Goan, Vice-President and resident manager of the Dain office in Billings, Mo., was elected to the board of directors.

J. M. Dain & Co., Inc is an underwriter and distributor of investment securities and a member of all the principal stock exchanges. Dain has offices in Billings, Casper, Great Falls, Sioux Falls, Duluth, Minneapolis, St. Paul and Southdale.

Altobelli Forms Co.

WESTMINSTER, Mass. — Richard J. Altobelli is engaging in a securities business from offices on Whitney Hill under the firm name of Richard J. Altobelli & Co.

David Reiger Opens

LORAIN, Ohio—David C. Reiger is engaging in a securities business from offices at 108 Eighth Street. He was formerly with Jaffe, Lewis & Co.

Forms Abbel Securities

LITTLE NECK, N. Y. — Milton Moskowitz is engaging in a securities business from offices at 57-25—256th Street under the firm name of Abbel Securities.

Form Montrose Investments

HOUSTON, Tex.—Leo P. Black and Spiros J. Orfanos have formed Montrose Investments & Securities Co. with offices at 3520 Montrose Boulevard, to conduct a securities business.

Coburn & Middlebrook Br.

NEW BRITAIN, Conn.—Coburn & Middlebrook, Inc. has opened a branch office at 112 Broad Street under the management of Walter J. Luddie.

Garrison Inv. Co. Opens

(Special to THE FINANCIAL CHRONICLE)

SAN DIEGO, Calif.—Garrison Investment Company, Ltd. has been formed with offices at 3344 Garrison Street to engage in a securities business. Officers are Paul Stein, President and Treasurer; Byron F. White, Vice-President; and Charles Muehling, Secretary.

MUTUAL FUNDS

BY JOSEPH C. POTTER

Time and Fortune

There has been much unjust criticism—not all of it from disinterested sources—of the cost to the investor entailed in management of mutual funds. This sort of attack must not go unanswered, for it can turn away from the funds, which can be most helpful, those very people the critics are supposed to be protecting. The fundman may not know which way the market is headed, but of one thing he can be sure: his charges, his costs, his operations and all the rest are going to come under close scrutiny in the days ahead.

Boston-based Vance, Sanders in its bi-weekly "Brevits" has a refreshing approach to the nagging question of investment costs. It starts out by stating that one hour per day does not seem to be an unreasonable amount of time to give to an investment program. And it adds: "Yet any individual who is taking even this time from his regular business or professional hours to mind his investments might be surprised to learn how much this 'investment hour' is worth to him over a period of a year."

A table is appended, based on 244 working days in the year and eight hours a day, showing that a man who earns $5,000 a year must value an hour of business time at $2.56, or $625 per year. It's a matter of simple arithmetic to figure out that for the $10,000 man, the total yearly value is twice as great and for the $15,000 man, it's three times as big.

Vance, Sanders goes on to note that, with the variety of opportunities available to delegate supervision of one's financial program to experienced managers who make investing a full-time business, an individual might well wonder whether he can afford to put in his own valuable time on investment supervision.

An interesting approach to this question is provided by seeking to determine just how much money would be supervised by a professional management group for that hour per day's worth of the investor's time.

"For an established mutual investment fund," the author states, "the annual expense for management and research usually runs no higher than ½ of 1% of the fund's average assets—in other words, $5 a year for each $1,000 the fund manages."

From there the article goes on to show that a total investment of $125,000 could be managed for just $625, which happens to be the total yearly value of the $5,000-a-year man's hour per day. It suspects that almost any person in the $10,000-a-year bracket (hour per day value: $1,249) would be quite surprised to learn that his account would have to total over $250,000 before he could afford—on a dollar for dollar basis—to use just an hour a day of his business time to "save money" on do-it-yourself portfolio supervision.

As Vance, Sanders hastens to note, there are probably few people in the $10,000 bracket who must worry about a $250,000 portfolio. While statistics are lacking, surveys prepared by such groups as the National Association of Investment Companies suggest that after providing for liquid cash savings his investment account might, as an educated guess, total something like $12,000.

On the basis of the figures cited in the foregoing, the mutual fund research and management expense applicable to this $12,000 account would be a modest $60.

Modestly, the author refrains from pointing up the fact that no matter how many hours per day the go-it-alone individual put into investment management, he still wouldn't have the training and resources at the disposal of the typical fund.

Maybe some day the funds will combine to engage a smart research organization that would ask a lot of questions that need answering.

Longtime fund holders might be asked whether they have benefited, whether they have tried the combined approach to the marketplace of going it alone and using the funds, whether they think management costs are excessive and why, and a lot of other pertinent questions.

The funds, government agencies and the public might learn a good deal that we need to know about the fastest-growing business in the United States: mutual funds.

The Funds Report

An 8½% discount on sales of **Cambridge Growth Fund** up to $10,000—described as the "highest in mutual fund history"—will be offered to investment dealers for a 90-day period beginning Oct. 1. Launched in July with total net assets of about $300,000, the fund and its underwriters held off their "big push" until the end of summer, according to Murray Aronson, Vice-President.

* * *

Energy Fund reports that at Aug. 31 total net assets were $25,495,804, or $24.59 per share. This compares with $13,551,202 of assets and $22.67 a share at the end of August, 1960.

* * *

Robert J. Lowrey of Lafayette, Ind., has been named an associate of **FIF Associates, Inc.** Mr. Lowrey, who was a supervisor in the accounts section of General Motors Acceptance Corp. of Indianapolis before joining FIF, will represent the mutual fund firm in the Lafayette area.

* * *

A distribution of income, equal to 11 cents per share, has been declared by **Incorporated Income Fund,** payable Oct. 16 to stock of record Sept. 22.

* * *

Thomas H. Lenagh, member of the Ford Foundation investment staff has been elected a Director of **Institutional Shares, Ltd.,** and **Institutional Income Fund, Inc.** Prior to joining Ford Foundation, Lenagh was Manager of the research department of Goodbody & Co. He is a Director and Secretary of the New York Society of Security Analysts.

* * *

August sales of $12,923,000, highest ever reported for that month, were reported by **Investors Planning Corp. of America.** The figure bettered by 19.6% the preceding month and represented a gain of 21.3% from August of 1960.

* * *

Donald C. Larrabee has been elected Vice-President, Atlantic States, of **Hugh W. Long & Co.** of Elizabeth, N. J. Larrabee joined Long in 1956 as a Regional Representative for New York State. He was elected a Regional Vice-President in 1959.

* * *

Managed Funds, Inc., the St. Louis-based group of seven funds, has declared distributions for two of the funds. **Electric & Electronic Shares** holders will receive a dividend of one cent per share from investment income and a distribution of 24 cents from realized securities profits, both payable Oct. 31 to stock of record Sept. 29. **Paper Shares** holders will get a dividend of two cents from investment income and 25 cents from realized securities profits, also payable Oct. 31, record Sept. 29.

* * *

William B. Haynie, Jr. has been elected Executive Vice-President and chief operating officer of **MJT Mutual Funds, Inc.** He was formerly Vice-President and General Sales Manager.

* * *

A dividend of six cents has been declared by **Provident Fund for Income** as a net investment income dividend for third quarter, payable Sept. 28. Recent liquidation of International Shoe and Southern Railway is reported. Purchases and additions include Southern Pacific, Union Pacific, Seaboard Air Line, Poor & Co., Symington Wayne, Royal Dutch and American Standard.

* * *

Robert L. Noddin has joined **Union Service Corp.** as Senior Securities Analyst in charge of public utility investments. Prior to joining Union Service, Noddin was a Security Analyst with Morgan Guaranty Trust Co. of New York, specializing in utilities.

Three Generations In Butcher and Sherrerd

PHILADELPHIA, Pa. — When Howard Butcher, IV, recently received a registered representative's license, Butcher & Sherrerd, the Philadelphia investment banking firm, gained the distinction of having three generations of one family currently active in the business. The close family feeling is more than professional, moreover, with the members of the three generations—ages 84, 59, and 24—sharing educational, civic, and social interests.

The senior member of the trio is Howard Butcher, Jr., a founding partner of the 51-year-old firm with headquarters at 1500 Walnut Street. He still takes an active part in the financial enterprise and can usually be found at his desk on a typical working day. Mr. Butcher's long and active career in investment banking has included the Presidency of the Philadelphia Stock Exchange for six years, a Governor for 24 years, and two terms as a Governor of the New York Stock Exchange. He presently has associated with him eight partners.

In recent years, many of Mr. Butcher, Jr.'s responsibilities have been turned over to his two sons and partners, Howard, III, and W. W. Keen Butcher. Associated with the firm for 38 years (a partner for 32), Howard, III is also engaged in a wide variety of other business activities. He is a director of 24 companies, six of which are in Hawaii, and President of two—General Waterworks Corporation and International Utilities Corporation of Toronto.

Mr. Butcher, III, is also Chairman of the Sandura Company, and a director and member of the Executive Committees of the John B. Stetson Company and the Commonwealth Land Title Insurance Company of Philadelphia.

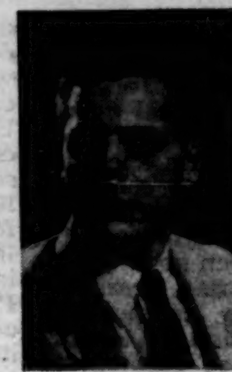
The youngest member of the Butcher family connected with the firm is Howard Butcher, IV. He began with the organization in 1957 as a runner and cage clerk, then left to become a junior securities analyst at Dominick & Dominick in New York. Mr. Butcher, IV, returned to Butcher & Sherrerd this year to join the trading department, and is now a registered representative.

All three Howard Butchers have common interests beyond the firm. Each attended the University of Pennsylvania and is a member of the same fraternity. Mr. Butcher, Jr., is a former member of the board of managers of the Hospital of the University of Pennsylvania. Howard Butcher, III, is a Trustee of the University, and Chairman of the Board of the University's Graduate Hospital.

Smithers Adds to Staff

James P. Rich, Arthur H. Bloche and Edward L. Norwesh have joined the staff of F. S. Smithers & Co., 45 Wall Street, New York City.

Beringer V.-P. Of P. W. Brooks


Stuart M. Beringer

P. W. Brooks & Co., Incorporated, 120 Broadway, New York City, underwriters and distributors of investment securities, have announced that Stuart M. Beringer has been elected Executive Vice-President of the organization. He was formerly Vice-President and Assistant Treasurer.

Grant, Fontaine Branch

RENO, Nev.—Grant, Fontaine & Co. has opened a branch office at 232 West First Street under the management of Bernard S. Fontaine.

Leewall Branch Opened

Leewall Associates, Inc. has opened a branch office at 507 Fifth Avenue, New York City, under the management of Jordan Walerstein.

Form Investors Service

ATLANTA, Ga.—Investors Service Company has been formed with offices at 1278 Hopkins Terrace, N. E. to engage in a securities business. Partners are Orbun T. Moore, Jr., and Samuel W. Sproul, Jr. Both were formerly officers of Fundamental Securities, Inc.

Clement Evans Adds

AUGUSTA, Ga.—John C. Jordan, Jr. has been added to the staff of Clement A. Evans & Company, Inc., Marion Building.

Domestic Economic Goals And Economy's Efficiency

Continued from page 23

sought within the framework of a dynamic, free, competitive, private enterprise system offering people substantially equal opportunities. The Commission on Money and Credit also specified the same three primary economic goals; but it added the targets of national security, attainment of a good balance between government and private enterprise, preservation of workable competition, equitable distribution of opportunities, fostering of harmonious international relations, and reduction of the hazards of economic life.

Although these three formulations overlap considerably, expressing the same ideas in different words, it is still obvious that Americans have a plurality of economic goals. There is no single objective. It is also clear that some aims subsume others; all are not equally important. Is it possible to identify a few *primary* economic goals upon which our national policymakers can focus their attention? What are the criteria for selectig them?

To qualify as a primary economic goal, I believe that a national aim should meet three standards. First, it should relate essentially to the structure and functioning of the economy. Secondly, it should concern the operation of the *whole* economy, and not merely to a sector of it such as housing or farming. Thirdly, progress toward the goal should be susceptible to measurement in objective terms. If we apply these criteria, one can identify six major economic goals of the American people. Two are "foundational" in the sense that they form background conditions for the pursuit of other goals; and two are "operational". in the sense that they are the continuous objects of day-to-day economic policy actions. The foundational goals are:

(1) The extension of individual *freedom.*

(2) The reduction of inequalities of *opportunity.*

The operational goals are:

(1) Continuous full *employment*

(2) Stability of the *price level*

(3) Rapid economic *growth*

(4) *International equilibrium*

While these six goals are not mutually exclusive, they are distinct and provide a good framework for analysis.

(2) The Evolution and Changing Priorities of U. S. Economic Goals

Each of the six economic goals emerged to a position of prominence in our national consciousness at a different era of our history. Each led to its own distinctive type of economic policy.

The maintenance and extension of individual freedom was the economic goal first to receive formal recognition. Indeed, the preamble to the U. S. Constitution asserts that the Federal Government was established in order to secure, among other things, "the blessings of liberty." The great freedom of the American to choose his occupation to move, spend, save, or invest as he will, is the hallmark of our society. This more than anything else, distinguishes it from the centrally planned authoritarian economies of the Communist world or even the older economies of Western Europe in which government plays a larger role.[2]

The economic goal of equalizing opportunity and reducing the inequality of income and wealth was the next to emerge historically. The great expansion of the Civil War created dramatic extremes in personal incomes and wealth. Public desire to reduce inequality found expression in the free public school system, in child labor laws, and in the passage of the Federal progressive personal income tax in 1913 and progressive death taxes therafter. The astonishing levelling of family incomes and wealth during the 20th Century has been mainly the product of expanding educational opportunities and reduced racial discrimination, rather than of progressive taxation.

The goal of maintaining a high level of employment emerged with the Great Depression of the 1930's. It dominated American economic policy right up to the end of World War II. It led Congress to enact the Employment Act of 1946, which committed the Federal Government to use all of its powers and resources to maintain a high level of employment. While the Employment Act did not add to the powers of government to intervene in the economy, it established the Council of Economic Advisers to the President and a Joint Economic Committee of Congress to bring about a better coordination of existing powers.

Unexpectedly, the postwar era has been free of serious recessions. It has been marked by large defense expenditures and by sporadic inflation rather than by a deficiency of demand. Fear of mass unemployment has receded in the public mind, and the economic goal of maintaining the purchasing power of the dollar came to the fore during the 1950's. The flexible monetary and fiscal policies of the last decade were designed to protect the buying power of the dollar as well as to curb recessions, and they did achieve a considerable measure of success.

Recently the spot light has shifted to the goal of economic "growth." Because price levels in the late Fifties remained fairly stable; because the Soviet economy made startling advances — and because Khrushchev has boasted that he will "bury" our kind of economy, we now place growth high on the scale of economic objectives. Our Federal Government has acted to increase the growth of the U. S. economy by establishing the National Aviation and Space Agency, passing the National Defense Education Act, and greatly expanding the support of basic research through the National Science Foundation. These are desirable actions, and many believe more should be done.

The most recent goal to command our attention has been that of international financial equilibrium. The huge adverse balance of American international payments, resulting from massive private investment *abroad* and American military and economic aid, and the loss of $4,000,000,000 of monetary gold, have made us aware that international financial equilibrium is a goal we cannot neglect. Indeed, as the United Kingdom has found, it must often be given priority over all other goals.

Marked changes have occurred in the priorities that Americans have assigned to different economic goals. No doubt further changes will occur in the future. But none of the goals can be neglected, and at times we must make hard choices among them. Because the goal of economic growth is the subject of intense interest throughout the world today, we should examine it with special care.

(3) Concepts of Economic Growth

Precisely what is meant by economic growth? I believe that at least four different concepts exist which need to be distinguished.

(1) First, we may think of economic growth as a *production* concept, and measure it by the annual gain in the Gross National Product (GNP). This is undoubtedly the simplest and most direct meaning of "growth." During the decade of the 1950's the real GNP of the U. S. (after correcting for price changes) rose about 3% per annum.

(2) Second, there is the *welfare* concept under which growth is measured by an increase in the amount of annual income per capita. Because population continues to rise, the income generated by a growing economy must be divided among a larger number of people. The welfare of people is therefore more closely related to the increase of income per head than to the gain in GNP. Income per capita has been rising about 1.5% a year during the past decade.

(3) Third, there is the *wealth* concept, which measures growth by the annual increase in the reproducible wealth of the nation. The growth of wealth is obviously the result of the savings and investment of society. While changes in the *material* wealth of the United States are measurable, we have no good measure of the even greater wealth represented by the education and training of our people.

(4) The fourth concept of economic growth, and the one which gets at the heart of the matter, is the *efficiency* concept. This measures economic growth by the annual gain in output per manhour worked. This is a more fundamental concept of economic growth than is the annual gain in real GNP, because it takes account of the number of manhours worked to attain a given product. The efficiency concept takes account of society's desire to increase the amount of leisure time available to people to enjoy goods and services. Increased leisure is as much a product of "growth" as an increased supply of goods and services. A free society wants not merely more goods and services. It wants new and improved goods and services, and it wants leisure time in which to enjoy them. We can easily have more production by working longer hours, or by compelling women, youth, and aged persons to work; but these measures involve the sacrifice of leisure. Real economic progress occurs by getting more production *without* sacrificing leisure or freedom through greater efficiency.

(4) Measurement of Progress Toward Economic Goals

How may we measure the progress of the economy toward the six economic goals?

In respect to individual freedom, there is no single "freedom quotient" that can be computed and compared at various points of time. Yet various aspects of individual economic freedom can be measured. Thus, we can observe the extent to which markets are free from government controls. The extent of freedom to work for one's self or to own one's business can be gauged by the ratio of the self-employed to the total labor force, which is currently about 15%. It can also be measured by the ratio of independent business enterprises to the human population. This is currently about 2.8%, the same as it has been for half a century. Certainly, the automobile has enormously expanded the mobility of Americans and the alternatives open to them.

Equality of opportunity likewise cannot be measured by any single statistic. Yet progress toward it can be gauged by examining the distribution of incomes among family units, by occupational differences in rates of pay, or by the percentages of the adult population finishing high school or finishing college. We may also note the spread of racial integration. All of these measures reflect startling gains since World War II.

Progress toward the goal of high employment is now measured monthly, the most significant figure being the unemployment ratio published monthly by the United States Bureau of Labor Statistics and based upon a monthly survey of a sample of 35,000 American households. We cannot here explore the many questions that may be raised about the validity of our present method of computing the unemployment ratio, but it is clear that the ratio does tend to provide a generous estimate of unemployment in comparison with the ratios of other countries which are based upon the percentage of people in the work force who *register* for employment at public employment exchanges. Economists estimate that full employment in the United States exists when about 96% of the people in the labor force are employed, and about 4% are in process of changing jobs. During the 1950's the unemployment ratio averaged about 5.2%, suggesting that about 40% more people were unemployed on the average than would have been idle under conditions of full employment. Part of this unemployment was due to cyclical shrinkages in the demand for goods and services; part was due to a structural mismatching of the labor skills required by a changing technology with those currently possessed by workers. Cyclical unemployment can be reduced by better monetary and fiscal measures to stabilize the growth of aggregate demand. Structural unemployment calls for local, state, and Federal actions in the retraining and relocation of workers and in industrial development. There are some signs that structural unemployment is growing relatively as a result of the rising pace of technological change.

Progress toward a stable price level is normally measured by the monthly movement of the Consumers' Price Index. We know that this Index has been "inching up" 1% to 2% annum in recent years and the result is called "creeping" inflation. However, it seems likely that the true rise of prices has been negligible, because the method of constructing this Index does not adequately take into account improvements in the quality of products and therefore has an upward bias.

The success of our efforts to raise efficiency can be tested by observing annual movements in output per manhour. Since World War II, this has been rising at the annual average rate of 2.2%, and the prospect is that it will increase somewhat more rapidly in the last half of the Sixties. Because the length of the average work week has been declining, our main reliance for increased future production is not on more hours worked but on an increase in production per hour.

Progress toward the goal of international equilibrium can be measured by the quarterly relations between the U. S. gold stock and the amount of foreign short-term claims against U. S. dollars. No one knows exactly what is the critical relation. It depends upon the monetary reserves of other countries, prospects for war or peace, and international psychology. Beyond a certain point Americans cannot be complacent if the gold stock continues to ebb away while foreigners pile up short-term claims against dollars. We are at that point today.

(5) The Compatibility of Economic Goals

We may now inquire whether the six economic goals that have been described are compatible with each other. In particular, will the aim of increasing economic efficiency help or impede us in achieving greater individual freedom, more economic opportunity, a stable price level, full employment, and international equilibrium?

Professor Wallich has recently written that individual freedom may be purchased only at the cost of less economic growth, but it is worth the price.[3] We can surely agree that a nation which harshly regiments its people to work for military power and a rapid buildup of heavy industries can gain production faster than a society operated on democratic principles and oriented to meeting the demands of consumers through market competition. The salient question is, however, whether a socialist dictatorship can be as efficient as a free-market democracy *if* the major objective is to serve consumers. Close students of the Soviet economy question that it would be as efficient in serving consumers because it would lack the market guides and motivations of a consumer - oriented economy.[4] The postwar examples of West Germany and Japan indicate that high rates of growth in production and consumption can occur in economies offering a large measure of individual freedom. Assuming that consumer welfare is the major aim of an economy, there is no obvious conflict between production and freedom.

Is the goal of efficiency compatible with a reduction of inequalities of income and wealth? We do not, of course, seek a dead level of equality in people's incomes, because income differentials *based on differences in personal productivity* stimulate efficiency and are desirable. The important point is that present differences in personal productivity reflect *more* than differences in the inherent energy and intelligence of individuals. They also reflect differences in education and in employment opportunities. Our society should eliminate racial barriers and provide truly equal education and employment opportunities to all, thereby equalizing productivities and reducing extreme differences in personal incomes. These measures will simultaneously raise the efficiency of our labor force and reduce inequalities in economic rewards.[5]

Will efforts to raise efficiency conflict with the goal of full employment? Here is the thorny issue of the effects of technological changes on employment. Certainly, the fast pace of technological progress can dis-employ workers who are committed to old skills and methods, just as it can create employment opportunities for those having the new skills. The evidence of history shows that measures to increase output per manhour through more efficient machinery and work methods have had a net stimulating effect upon total employment.

The key to a reconcoliation between high employment and rising efficiency are public and private policies to inform workers of job opportunities and to retrain and relocate them in the expanding crafts and industries.

No one will debate the com-

---

2 In his perceptive interpretation of the spirit of America R. L. Bruckburger asserts that the great and distinguishing feature of the Declaration of Independence was the unequivocal primacy it accorded the individual in his economic and polictical life. See his *Image of America* (New York: Viking, 1959).

3 See Henry Wallich, *The Cost of Freedom* (New York: Harper, 1960).

4 Thus, Professor Robert W. Campbell observes: "The task of planning coordination in the Soviet economy is less complicated than it would be in the U. S. economy because of the relatively low level of consumption and the nature of the goals the planners have set for the economy." See his *Soviet Economic Power* (Cambridge: Houghton Mifflin, 1960) p. 98.

5 Even today, there is much evidence that the dispersion of real family incomes in the Soviet Union is greater than in the United States.

patibility of growth of efficiency with a stable price level. Indeed, in an economy in which union and other pressures to raise wage-rates are strong, a principal method of inhibiting price inflation is to enable businesses to keep higher wages from raising prices by increasing output per manhour and holding down costs per unit of product.

Similarly, the goal of greater efficiency is clearly compatible with our current search for international equilibrium. Only if the U. S. economy remains highly efficient in comparison with foreign countries will we be able to generate a large enough surplus of exports over imports to finance the huge amounts of private investment and governmental assistance that we need to provide other nations. During 1960 U. S. commodity exports fell almost $4 billions short of achieving equilibrium in the balance of payments. To achieve the goal we must sell more abroad; this means lower prices based on reduced costs.

The conclusion that may be drawn from this brief survey of the compatibility of efficiency with other economic goals, is the same as that reached by the Commission on Money and Credit: U. S. economic goals *are* essentially compatible,[6] if the nation pursues a wise set of economic policies.

(6) The Need for Rapid Growth Of Efficiency

At this point the question may be asked—Does the U. S. need to strive for a more rapid growth of efficiency during the 1960's and the greater output it would bring? Is it worth the effort of the richest nation in the world to elevate its growth rate? Although this is a question that the people in a democracy must answer for themselves, an economist can point to a number of important values that a more rapid rate of economic growth would yield Americans.

(1) Rapid growth would help to eliminate the domestic poverty that still afflicts about a sixth of our people.

(2) Rapid growth would increase social harmony, because it would make it easier to satisfy the claims of different economic and social groups.

(3) Rapid growth would help to buttress our national security by making it easier to bear large and continuing arms expenditures. (This does not imply that the present size of the economy imposes any real limitations upon our national security.)

(4) Rapid growth would better enable the United States to foster world economic development through larger governmental aids and private investments.

(5) Finally, rapid growth would help spread freedom and limit communism by the "demonstration effect" of a vigorous free economy upon the minds of the uncommitted peoples of the world.

For all these reasons, even a rich society like ours should seek to grow more rapidly through rising efficiency.

(7) Comparing the Performance Of the U. S. and the Soviet Economies

It is often said nowadays that the U. S. economy grows at an annual rate of 3% and the Soviet economy grows at the annual rate of 6%,[7] and it is only a matter of time when the production of the Soviet Union will surpass that of the United States. The conclusion is then drawn that this proves that the Soviet economy is in some sense more efficient. Such a conclusion is false.

The Soviet economy in recent years has been able to benefit from special, temporary factors that will not endure indefinitely. They include the transfer of unproductively - employed people from agriculture to industry, the capacity to copy Western technology, and the reaping of the first benefits of the spread of popular education. Even allowing for these factors, however, it probably remains true that a socialist dictatorship can maintain a higher rate of growth of national product than a democratic market economy, because the central planners can decide what part of national income will be saved and invested and are able to force people to work, while a free enterprise economy allows these choices to be made by individuals. As the educational level of the Russian people rises and their aspirations for better living increase, the Soviet leaders may be compelled to reorient the Russian economy toward the satisfaction of consumer wants. If and when this development occurs, the basic flaws in a centrally planned dictatorship will begin to show up clearly. The results of the widely-heralded economic competition between the Soviet and the U. S. economies will not be known for many decades. We will be wise to suspend any quick judgments on this matter. It is really impossible to compare the Soviet and the U. S. economies and to say that one is "more successful" than the other. Each one may be superior when judged on a particular criterion, and there is no universally accepted rule for deciding which criterion is more important than the others.[8] Excepting in time of war, Americans will always put individual liberty and consumer satisfactions before industrial growth or military power.

(8) Policies to Raise the Efficiency of the U. S. Economy

Whether or not we are faced with Soviet competition, the American people should take

Continued on page 36

6 An ardent debate has been conducted over the compatibility of full employment with price-level stability. Statistical studies in the U. S. and the U. K. during the postwar era show a negative correlation between year-to-year movements in wage-rates or price indexes, on the one hand, and year-to-year movements in unemployment ratios. From this, some economists infer that full employment may only be attained at the cost of some price and wage inflation; and stability of the price level must be purchased by keeping several million people unemployed. The writer believes that these economists: (1) ignore the inflationary bias in price indexes which exaggerates the degree of real price inflation; (2) fail to recognize that much unemployment is structural rather than cyclical and cannot be cured by inflationary monetary, fiscal and other measures to increase aggregate demand; and (3) overlook the need for and feasibility of public policies to reduce structural unemployment, and (4) forget that annual gains in productivity make it possible to raise wages by 2-2½% a year without forcing up the price level. Taking these factors into account, there does not appear to be any inherent conflict between the goals of full employment and price-level stability. See Neil H. Jacoby, "How To Stop Price Inflation," *California Management Review*, Vol. I, No. 3 (Spring 1959) pp. 1-10.

7 See Campbell, *op. cit.*, pp. 34-35.

8 See Bela Balassa, "Success Criteria for Economic Systems," *Yale Economic Essays*, Vol. 1, No. 1 (Spring 1961).

Domestic Economic Goals And Economy's Efficiency

Continued from page 35

steps to raise the efficiency of the U. S. economy. Surely, we would be stupid to forego the increased output of goods and services and the increased leisure that are possible if we take steps to improve the workings of our economy. We should never force people to work, or to work longer hours than they would freely choose, because this is an authoritarian path to economic growth. I simply suggest that we adopt public policies that will reduce involuntary idleness in our economy, and that will make each hour of work more productive.

It has been reliably estimated that the annual growth of real GNP in the United States during the 1960s will be around 3.4%, assuming no change in present economic policies, and that this can be increased to around 4.5% by economic policies that are relatively costless, in the sense that they do not involve large sacrifices of leisure or of consumption. What economic policies can bring this desirable result about?

In the first place, many actions can be taken to reduce involuntary idleness to add to the number of hours worked. Labor input could be increased if the United States relaxed its immigration restraints, and admitted more persons with scientific and technical training. A reduction of discrimination based on sex would enlarge the participation of women in the labor force. More intelligent methods of dealing with labor-management conflicts could reduce work stoppages of labor disputes. Wider use of work-study programs for youth would permit society to benefit from the earnest desire of many youngsters to combine work experience with their education. More rational retirement and old-age pension policies would permit many oldsters of sound mind and health to continue working beyond age 65.

The largest potential increase in manhours worked in the economy will come from the reduction of cyclical and structural unemployment which, in recent years, has been keeping an average of 1½ to 2% of the U. S. labor force involuntarily unemployed. The major attack on cyclical unemployment must be through improved monetary, tax and public expenditure policies which will maintain a higher and more stable level of demand.[9] Great headway has been made toward this goal since World War II. Congress could take another step forward by giving the President power to raise or lower the tax rate on the initial bracket of personal income by 5 percentage points in the interest of quickly stabilizing consumer demand.

The attack on structural unemployment calls for different policies. The Federal Government should take the lead in improving the quantity and availability of labor market information. It should introduce programs to retrain workers in new skills, and provide financial aids to their relocation. We should expand area development programs. We should work to eliminate restrictive union entrance rules and those provisions of private pension plans that tend to tie workers to their present jobs and prevent them from moving to better opportunities.

Many things can be done to increase output per manhour worked. Most fundamental is a factor well known to educators—to elevate the education and skills of people. Useful skills and knowledge are a form of capital. This capital is the subject of deliberate investment. It has grown in Western societies more rapidly than investment in physical capital, and is more responsible for the rise of productivity.[10] When I refer to education, I mean not simply formal education in schools, but also on-the-job training programs in businesses, and adult study programs carried on during the worker's own time. Education is a high-yielding investment, and our society would be wise to devote more of its resources to education of all kinds and at all levels.

Efficiency can also be raised by increasing through research the stock of scientific and technological knowledge in our society. Public and private support of research and development has grown from less than $1 billion a year before World War II to more than $10 billion a year today. Because only a small part of these outlays support basic research, our Federal Government should increase its support of basic research in all fields. We should also adopt new methods of propagating knowledge through translation, documentation, library, and similar facilities. Our patent and copyright laws need reconsideration from the point of view of stimulating invention and creative thought.

Increasing the mobility of workers will raise productivity. The reduction of racial discrimination has already achieved weighty results. Integration should be continuously pressed for its valuable economic consequences, as well as on moral grounds. Worker mobility would also be improved if employees rights in private pension plans were vested in them, and if state eligibility rule for public assistance were liberalized.

A truly comprehensive program to invigorate competition in the U. S. economy would raise productivity. Our anti-monopoly laws now apply mainly to business corporations. We need a truly comprehensive law in applying to labor unions, cooperatives and all other private economic groups whose market power may support featherbedding, restrictions upon entry, or other inefficient practices. We should progressively lower trade barriers between the United States and foreign countries. Exposure to competition is invariably healthful, for it forces producers to raise efficiency. Part of the task of invigorating competition is to gradually eliminate public subsidies, and to restore competitive market pricing in those sectors of our economy, such as agriculture, in which prices are regulated. This will require, of course, that temporary supports to the incomes of marginal farmers be provided, until they have been retrained and relocated in productive jobs in other industries.

We should enlarge our supply of managerial talent through deeper research into management, wider use of modern methods of business decision - making and new means of reducing risk and uncertainty.

Finally, the American people would be wise to provide stronger incentives to produce, save, and invest. This policy would involve a small cost to the degree that some current consumption would be sacrificed in order to devote more of our national product to accumulation of the capital which would raise consumption in the future. The main instrument is structural revision of Federal tax laws. Depreciation allowances on business assets should be liberalized. A sharp reduction should be made in the present heavy double taxation of corporate income, and more realistic rates should be imposed on the higher brackets of personal income.

(9) Education and the U. S. Economic Potential

Americans should be both proud and dissatisfied about the operation of the U. S. economy. We can take pride from the plain fact that no economy in the history of man has ever provided the average person with so wide a range of choices, with so much freedom, with so great a complement of goods and services, and with such ample leisure in which to enjoy them. Yet we should be dissatisfied that a wide gap separates its present performance from its full potentiality. The annual gap will mount to $115 billion during 1970, if we do nothing about it.[11] Most of this gap results from ingrained habits of mind, ignorance, prejudice, or sheer inertia. Consider the heavy price we are paying for these weaknesses. Think what this extra productive effort could mean — in education, basic research, national highways, dams, harbors, reclamation and national parks, not to mention national defense, foreign investment, or increased care for aged and indigent citizens.

Education is the most important single factor in eliminating the gap between economic performance and potential. Our educational system, broadly conceived—from the grade schools through the graduate schools and from the formal classroom through the adult classes and the daily press—must educate Americans better than they have in the past in the principles, attitudes, and requirements of an efficient, free economy, functioning in a political democracy. All professional educators, must not fail to respond energetically to this challenge.

9 See Neil H. Jacoby, "The Analysis of Fiscal Policy—Past and Present," in the forthcoming *Proceedings of the National Tax Conference*, Seattle, Wash., Sept. 7, 1961.

10 See T. W. Schultz, "Investment in Human Capital," *American Economic Review*, March 1961.

11 GNP at full employment will mount to about $825 billions in 1970, if the economy grows by 4.5% per annum, against about $710 billions if it grows at 3.3%.

*An address by Dr. Jacoby before the Cubberley Conference at Stanford University, Stanford, Calif.

Named Director

Edward T. Herndon, a senior partner of Eastman Dillon, Union Securities & Co., has been elected a director of Mission Development Company, it has been announced.

Mission Development controls Tidewater Oil Company and is, in turn, controlled by Getty Oil Company.

Thayer, Baker Adds

PHILADELPHIA, Pa. — Thayer, Baker & Co., Inc., Philadelphia National Bank Building, members Philadelphia-Baltimore Stock Exchange, announced that the following men have become associated with the firm as Registered Representatives: W. R. Coyle, Jr., William L. McMullan, and Edward Vinzulis.

Named Director

James W. Davant, partner in the Minneapolis office of Paine, Webber, Jackson & Curtis, and Robert Andrews, real estate executive, have been named to the board of directors of Equity Capital Company, Minneapolis-headquartered real estate financing firm.

Drew Securities in N. Y.

Drew Securities Corporation has been formed with offices at 50 Broad Street, New York City, to engage in underwriting and investment banking; Murray Gaines and Harold Aibel, Vice-President and Secretary.

SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

The Man in the Middle

The original "man in the middle" is the security salesman. He operates somewhere in a twilight zone between his customers and his firm, and his capacity to exist as a rational human being is determined as much by his ingenuity, as his ability to make his own decisions. But as with all other psycho-neurotic occupations, the wavering individual is doomed. He must assert himself, or constantly waver on the edge of instability—which is a common occupational disease among the elite of Wall St.

Here we go—let us look at the situation, not as it is glamorized in song and fable but as it will look to you fellows at the telephone next Monday morning (after that pleasant or unpleasant week-end with golf, grandchildren, children, wives, or unwanted neighbors). Let's start with the customers. Some of them are just great. They take the bitter with the bitter and ask for more. Then there are the majority—the vast, normal everyday run of the mill stock buyers who are supporting American industry and their government with their hard gotten nickels. They want advice, not run of the mill advice, but the kind of advice that is right most of the time. And when I say, "Most of the time", you who labor in this business will know that the word "most" means what it means. To over-expound on this phase of the dilemma is a complete waste of words as far as the initiated are concerned—and the neophytes will learn the hard way—as always.

Next, we look at the other half of the sandwich. Over here we have his firm. They supply a salesman with a desk, a telephone, some advertising, a cashier, a trading department, a statistical department, a stenographer, and in some of the more progressive organizations an opportunity to ride on the partner's yacht once a year, or sit in his box at the ball game (even if he doesn't care a hoot about baseball). In addition, they feel a lot more friendly toward their salesmen if they recommend that their customers purchase the securities which they sponsor, and also participate in their underwritings—particularly if they are "slow ones," which makes everyone happy except your customers. They also prefer that a steady stream of business keeps coming in week after week to help pay the overhead, because without it things wouldn't be so comfortable for everyone concerned. Or should we bring that up, since it seldom has ever been mentioned, to my knowledge, except among we salesmen when we are "havin' a little meeting" ourselves (which never accomplishes anything anyway)?

And then there are a few mistakes and bad guesses that are made by the statistical and research departments, as well as the underwriting boys, and any salesman who doesn't have a ready answer for such unusual occurrences just isn't "loyal" to his firm. Besides, he hasn't learned the first great lesson of this business, "soothing syrup must be dispensed with finesse."

There Are Some Compensations

You can remember that even though you are supposed to be some sort of a mental gymnastic superman by both your customers and your firm that you still are "boss" about one thing—you can run your own business. But to do this you are going to have to work a little, think a little, and remember that things were ever thus so why take it too seriously. About the customers—if you look a bit in unlikely places you may still come up with a few that don't expect you to be a walking electronic computer that can tell them immediately all there is to know about ten thousand stocks. There are some who will give you even an hour or two to look in the manuals. There are also a few people left who are interested in investing but the supply is getting more limited daily, and I would specifically advise that you not "expose" them to your competitors. (Suspicion grows during times like these, and a man can never be too careful about such matters).

You can also look over some of the new issues and if they don't measure up to your estimate of what a good "hot" speculative, bailout, should provide as a medium for enriching everyone—including your customers—you can pass it by, and then see it double in price within two weeks. This, is not unusual but there is no use trying to outfumble your underwriting department or your statistical department—they have more time for this than you do. You can also be sure your timing is right—you can advise the purchase of a security six months before everyone else finds out it is a "buy," and you can tell your customers to sell it when some research department suggests that in 1962 and 1963 earnings will double, dividends will soar, and by the time their report is out the stock has already doubled over the price you recommended it. Then you can sell when they say "buy." This is something I have been trying to learn to do for more years than I wish to confess, but if any of you have the answer, send it in to me and (maybe) we'll put it in the column.

Stewart Joins F. P. Ristine Co.

PHILADELPHIA, Pa.—F. P. Ristine & Co., 123 South Broad St., members of the New York Stock Exchange and other leading exchanges, announce that E. Richard Stewart is now associated with them as a registered representative.

Mr. Stewart was formerly Assistant Vice-President of the First Pennsylvania Banking & Trust Co. in charge of the Tax Department before retiring after 36 years' service.

New Dominick Office

LOS ANGELES, Calif.—Dominick & Dominick has opened a branch office at 611 Wilshire Boulevard under the direction of Myron A. Wick, Jr., a partner of the firm.

Granbery, Marache Branch

SAN FRANCISCO, Calif.—Granbery, Marache & Co. has opened a branch office at 120 Montgomery Street under the direction of Richard S. Nair.

Now With First Cleveland

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Thomas C. English, Jr. has joined the staff of First Cleveland Corporation, National City East Sixth Building, members of the Midwest Stock Exchange. He was formerly with Johnson & Co., Inc. and J. N. Russell & Co.

AS WE SEE IT

Continued from page 1

have sometimes been inaccurately reported elsewhere as being about eight cents. While these costs will obviously vary somewhat among the several companies in the steel industry, the fact is they will increase by about 13 cents per hour for wage earners; and beyond this the companies face the added cost of adjusting the pay of many thousands of their salaried employees. In the aggregate, therefore, industry employment costs alone will rise by more than $200,000,000 a year on October 1."

Prices and Profits

In later passages, Mr. Blough demolishes the conclusions that the President's advisers have drawn about steel prices and steel profits. We hope that the rank and file of the people of the country will give this document the study that it deserves. We do not have the space here to give it in full, but it is readily available to all who have an interest in the matter. We, however, must find room for just a few more pointed sentences: "As you note in your letter, Mr. President, the level of steel prices has not been increased in over three years—since 1958. In fact, that level is slightly lower than it was two years ago, and in recent months, there have been a number of price changes, mostly reductions. There are many competitive factors which are constantly changing and which necessarily affect prices in the steel industry or any other industry. Aside from inescapable employment and other costs, these competitive factors include competition among domestic steel products, competition from other materials such as aluminum, glass, cement, paper and plastics, competition from foreign steel producers, and total customer demand as well as changing customer requirements, to mention only a few. The pressures of the market place are inexorable and cannot be disregarded by a steel company or any other company or, for that matter, cannot be disregarded by any nation which wishes to maintain its position in a competitive world. . . . Reducing prices or avoiding price increases has great popular appeal. As consumers, we all want that. But we cannot have it both ways. We cannot have inflationary wage increases, higher taxes and other rapidly increasing costs on the one hand, and enjoy reduced and unrealistic price levels on the other, without endangering national growth and jeopardizing jobs."

Causes of Inflation

It was doubtless the purpose of Mr. Blough to state the position and record of the steel industry in order to remove or prevent any unwarranted blot upon its escutcheon with respect to inflation and the like. It was hardly within his domain to go at length into what in the current trend of events must be charged with enlarging the danger of inflation. But on the same day that Mr. Blough's letter was made public through the press, there appeared a forceful and very pertinent warning from that old, old man of the political wars, Senator Byrd of Virginia—a regular member of the President's own party, but for a good many years past not much heeded by those who manage the affairs of that party.

The venerable Senator makes the disturbing prediction that our Federal budget will increase at least to $106,000,000,000 by 1965, and then adds that he doubts "that the Federal budget will be balanced (as we have been more or less promised by the Administration) in the foreseeable future unless the rate of increase in expenditures indicated by present proposals is prudently and effectively curtailed. I do not see how Federal tax rates can be increased substantially. The point of diminishing returns has already been reached in some areas. . . . Tremendous expansion of Federal participation and spending in domestic-civilian programs was the order of the day in Presidential messages and communications prior to the Berlin crisis. Virtually no areas of domestic-civilian activity by the Federal Government have been overlooked. Our fiscal position is vulnerable, and Premier Khrushchev knows it. The Federal fiscal policy urgently needs constant and critical review. Fiscal stability is a vital element of military preparedness, but the Administration has suggested no curtailment of domestic-civilian activity before or since the military build-up was accelerated."

Now, of course, the sort of eternal jacking up of employments costs that has been going on in this country for a long while past can hardly fail to be reflected at one time or another in the price level, and it is a fact that this Administration—and, for that matter that which preceded it—has shown little stomach for any steps that might be expected to hold it in check or to remove it. The fact is, though, that fully comparable with this factor is the spending spree that is under way and being planned in Washington — spending that can not by any stretch of reasoning be regarded as part or parcel of military preparedness.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Consumers' Gas Co. (Ontario)

Consumers' Gas is probably the oldest Canadian utility company, having been incorporated in 1848 by special act of the former "Province of Canada." Dividends have been paid regularly since 1848. The company and its subsidiaries distribute natural gas to residential, commercial and industrial customers in various areas of central and eastern Ontario and in the Niagara peninsula. Some 92 communities are served with a population of over 2,736,000, nearly half of the total for the province. The largest cities served are Toronto and Ottawa.

The company's growth has been very rapid since conversion to natural gas in 1955. Population served about doubled in this period (principally through extension to new areas) and is expected to double again over the next 25 years. The number of customers increased from 155,000 in 1955 to 246,000 in 1960, and according to a projection made in testimony before the Royal Commission on Energy is expected to more than quadruple (to 1,045,000) by 1988. Sales of gas (cu. ft.) are expected to gain at a still faster rate; in 1955 they amounted to only 3.9 billion cu. ft. but in 1960 with the increased use of natural gas for househeating, sales had jumped to 37.5 billion cu. ft., and for 1988 they have been projected at 246 billion cu. ft. Revenues increased from $13 million in 1955 to $45 million in 1960.

Residential sales (cu. ft.) are now 53% residential, 12% commercial and 35% industrial. The percentages for revenues are 65%, 13% and 22%, respectively. Average annual use by residential customers has increased from 17 mcf. in 1955 to 85 mcf. in 1960; over half of residential customers now have househeating compared with only 6% in 1955. Despite the availability of very cheap hydro power, the company has estimated that an insulated 6-room house in the Toronto area can be serviced at an annual cost of only $212 on an "all gas" basis, as compared with $536 on an "all electric" basis.

Average revenues per mcf. have declined sharply as a result of some 14 rate cuts made voluntarily by the company since 1954, comparisons being as follows:

	1955	1960	% Reduct'n
Residential	$3.39	$1.51	55%
Commercial	3.07	1.40	54
Industrial	2.48	0.81	67

In order to establish its regulatory status under new laws, the company requested its regulatory agency to check the present rate structure in relation to the rate base—no increase was asked for. Based on the revised cost of reproduction rate base allowed by the Board (in the absence of historical cost records since inception) the return for the test period approximated 4.3% (the company calculated only 3.6%). No significant opposition to present rates was indicated during the hearings. The company was allowed to amortize the cost of manufactured gas facilities (no longer needed) over a 20-year period.

The company is still planning for rapid expansion. Gross plant account increased from $36 million in 1955 to $185 million in 1960, with a gain of $15 million in 1960. The 1961 fiscal year budget will approximate $20 million, with a possible carryover of construction work of $7 million, and next year the budget is estimated around $24 million. The company expects to spend about $18-$20 million a year for construction over the next four to five years. In a recent talk before the New York Society of Security Analysts, President Jones stated, "We believe very strongly in maintenance of the property and our obligation to extend our pipelines into nonprofitable areas so that they have the benefits of natural gas service with which to promote industrial growth and new housing additions."

Capitalization at the end of 1960 was 38% funded debt, 10% preferred stock and 52% common equity. The latter figure was about the same as in 1955. The company issued subscription rights to common stock in June, 1958 on a 1-for-4 basis; in November, 1959 on a 1-for-6 basis, and in June, 1961 on a 1-for-6 basis (at $14 a share). It now has a $38 million line of bank credit available. Consumers' Gas was split 3-for-1 in 1960.

With manufactured gas, earnings per share in 1954 were 42 cents after adjustment for the later split. With the changeover to natural gas, 1955 earnings dropped nearly one-half to 22 cents, but increased in the next five years to 66 cents. Earnings increased every year during this period, with an average rate of gain of 25% compounded. Earnings for 1961 are estimated at around 72 cents, a gain of about 10%.

The stock is traded on the Toronto Exchange and over the counter in New York, with a range of 16-11 (adjusted) last year and 20-16 this year. It has been quoted recently around 18½, at which price it yields 2.2% based on the 40c dividend rate. Using estimated 1961 earnings of 72 cents, the price-earnings ratio approximates 26. Considering the rapid rate of growth in share earnings such a ratio does not seem out of line with P/E ratios for growth utilities in the U. S.

With Thomson, McKinnon

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—William A. Kendall has joined the staff of Thomson & McKinnon, Healey Building. He was formerly with Sade & Co.

Problems of Tax-Exempt Financing of Industry

Continued from page 23

economy, if not controlled and gradually eliminated.

Rejecting History's Lessons

Over the past decade, we have witnessed the fourth major surge of the use of public funds to finance industrial development in our nation's history. The first three ended tragically, but state and local officials seem to be rejecting the lessons of history in their attempts to get more states to permit such policies of industrial subsidy. The first three periods were in the 1830's, 1870-80's, and in the 1920-30's. Because the autonomy of the states and the municipalities' rights to local self-government are the very essence of our governmental structure, it is of prime importance that these governmental units protect their financial integrity.

When a municipal government directly or through its industrial development commission provides a new industry with a plant at a nominal rental or extends a loan to it, that local government becomes a partner in that business firm, and a future period of depression may result in costly financial losses to the community rather than an industrial gain. It is both interesting and disappointing to note that our state courts are gradually weakening their initial resistance to those governmental subsidy programs.

For example, the Kentucky Supreme Court decision upheld the validity of the issuance of industrial revenue bonds on the grounds that they do not constitute governmental indebtedness, and therefore do not constitute a lending of public credit.

Tennessee's state courts upheld the constitutionality of revenue bonds issued for this purpose by declaring that the promotion of industry is "clearly of incidental public benefit" even though it also results in gain to a private corporation. In this decision, incidental public benefit has been equated to a public purpose.

The Rhode Island Supreme Court held unanimously that the formation of a state industrial development corporation to be granted public funds was permissible by virtue of the General Assembly's power to appropriate the public money or property for local or private purposes.

Dean William D. Ross of Louisiana State University, after conducting his study of tax concessions in Louisiana in 1957, came to the following conclusions:

"(1) Tax exemption as a device for inducing new industrial expansion which would not otherwise occur, has produced meager results in Louisiana.

"(2) The cost of the program in terms of lost revenue is out of proportion to the direct results obtained.

"(3) The 10-year industrial tax exemption program for new industry in Louisiana should be re-evaluated."

Unsound Mobility

It is of course natural for industries to move to different areas, since our capitalistic society involves risk taking, individual initiative, and new technological innovations. This geographical movement of industry, however, should not be influenced by excessive promotional devices and lures on the part of our governmental units.

We must not lose sight of the fundamental principle of constitutional and public law that a municipal corporation is not authorized to incur indebtedness except for a public purpose (74F [2nd] 989). Unless the power to donate money, issue bonds, or otherwise aid a private corporation has been expressly delegated by the Legislature within constitutional authorization, the municipality does not have the power to do such. (McQuillan-Municipal Corporations, Third Edition Vol. 15, Sec. 39.26.) Bearing these legal principles in mind, we have seen that our state courts have expanded their concepts of a public purpose, in their consideration of these industrial development revenue bonds, arguing that usually these bonds do not constitute the lending of credit by the state or the expenditure of public funds.

The governmental officials of the State of New Jersey have long been concerned about the movement of so many New Jersey industries to lower wage-rate areas in the Southern States and have more recently been concerned with their movement to neighboring states.

Such moves of private industries have a tremendous impact upon the communities of our state, since they leave behind them thousands of unemployed workers, substantial reduction in local business, and large governmental losses in tax revenue. Union officials contend that industrial migration from our older metropolitan areas should not have been encouraged without due consideration of the property rights of the employees of the abandoned plant. They further contend that these municipal inducements are too frequently combined with promises to discourage or prevent unionization of the new plant and promises of low wages.

In March 1961, the U. S. Court of Appeals of the Second Circuit held that when The Glidden Co. transferred its operations of a plant in Elmhurst, N. Y. to Bethlehem, Pa. in 1957, after the expiration of its union contract, it had unilaterally denied the vested seniority rights of its old employees who had brought suit against the company. On July 21, The Glidden Co. attorney petitioned the U. S. Supreme Court to review the ruling of the lower court.

The Town of Lebanon, Tennessee, is currently having its troubles with its $2.5 million tax-exempt factory which it constructed in 1960, through the issuance of industrial development revenue bonds for lease to the Gemmer Division of the Ross Gear & Tool Mfg. Co. for a 20 year period. It appears that the town of Lebanon, in its contract with Ross Gear & Tool Mfg. Co. stipulated that only its own residents could be employed by the company in this new plant. Gemmer's Detroit, Michigan plant, which no longer can manufacture steering gears profitably, was organized by the United Auto Workers Local 80, which sued the company for employment rights for its 700 union members. The U. S. District Court of Detroit, Michigan, recently upheld the claims of the union with its ruling that the expiration of the union contract in October could not extinguish the seniority rights of the company's employees. Although Ross Gear & Tool Mfg. Co. may appeal this court decision, it is confronted with unexpected risks if it moves from Detroit, Michigan, to Lebanon, Tennessee.

Judge Kaess thus held that Gemmer's employees had acquired a "vested right" by virtue of their seniority, and that "Gemmer has an obligation and duty to rehire on the basis of seniority" employees laid off by the company in Detroit, Michigan, even though the company's move to Lebanon, Tennessee, in September 1961 may terminate the role of their union as their bargaining agent.

In a third recent case before the U. S. District Court, two employees of Vickers Inc., a Division of Sperry-Rand Corporation, asked that they and about 600 other employees be permitted to transfer to the company's new plants in Mississippi, Missouri and California with their seniority rights preserved and at the company's expense, despite the fact that the union contract with Vickers Inc. had expired in July 1960, on the theory that they had acquired a "vested right" to their jobs during the life of the union contract.*

Decentralization

As a result of management's policy of decentralization, the industrial map of the United States has been undergoing great changes, with the result that our older metropolitan areas have been steadily declining in industrial importance.

As an example thereof, only one-forth of the automobiles are now being manufactured in and around Detroit, Michigan, as compared with one-third in 1956.

A report by the American Federation of Labor titled "Subsidized Industrial Migration," issued in 1955, states in part that "The ruthless manner in which industrial firms have abandoned their employees in a particular location in order to establish operations at another site has seriously jeopardized the welfare of American workers."

This report further recommended that the interest on industrial development revenue bonds be subjected to Federal income tax, and that in such cases where the industrial concern pays only a nominal rental to the municipal government, the Federal Government should disallow as a deductible business expense for income tax purposes an amount equal to the reasonable value of the facilities provided by the municipal government.

We see that during the past 15 years the South and Pacific areas have expanded much more than have New England, the Middle Atlantic, and the Midwest parts of our country.

The aforementioned report concludes that "subsidized migration, or what might be called the pirating of plants from their established locations has taken a heavy toll in terms of unemployment, uneconomic dislocation, and sectional bitterness."

To cite a typical example of the extent to which individual states and municipalities will outbid each other for a new industry: The Manchester Hosiery Mills of Manchester, New Hampshire, determined to open a hosiery manufacturing plant in Burlington, North Carolina, and the Burlington Chamber of Commerce offered a new plant to this company.

However, Manchester Hosiery Mills was a subsidiary of the Douglas Knitting Mills located in Coffee County, Georgia, and upon learning of the subsidy offer that had been made by the Burlington Chamber of Commerce, the Coffee County Chamber of Commerce Industrial Corporation made an offer to lend $50,000 for a building and machines. The City and County Commissioners in turn offered to waive all taxes on the new plant for a period of five years. In addition thereto, the City of Douglas in Coffee County, Georgia, agreed to reduce its power rates to this company. The final decision of the President of Manchester Hosiery Mills was to locate his new plant in Douglas, Georgia.

Tax Law Jeopardized

The Internal Revenue Code of 1954 has continued to grant the privilege of Federal income tax exemption unto the interest earned on obligations issued by a state government or its political subdivisions. If we are to maintain the sovereignty of our system of Federal and state governments, then in my opinion we must either abandon all current policies of state governments to subsidize private industry, or subject to Federal income taxation the interest earned on all IDR bonds which do not bear the guarantee of the faith, credit and taxing powers of the sponsoring state or municipal government.

As a step in this direction, two bills were submitted before the 87th Congress this year. One bill, H.R. 6368, introduced by Representative Griffin called for amending the internal revenue code to disallow as a business operating expense any and all rentals paid by a business firm to any state or political subdivision thereof, for the use and occupancy of an industrial plant which was acquired or improved out of the proceeds of a tax-exempt obligation issued on or after April 17, 1961.

The other bill, H.R. 798, introduced by Congressman Multer, called for amending Section 103 of the Internal Revenue Code by way of denying the privilege of Federal income tax exemption unto any interest earned on an obligation issued by a State or Territory or any political subdivision thereof, where such industrial development revenue bond is not secured by the general credit of the issuing governmental unit. May I note that I had recommended similar legislation in my testimony before the House Committee on Ways and Means, in August 1953, as well as in my testimony before the U. S. Senate Finance Committee in March, 1954. The Senate Finance Committee, however, advised me in 1954 that it had decided to do nothing on the Bill which I had recommended, for the reason that it was so difficult to define properly a "Public Purpose" in our complex society.

Upon giving due consideration to our past history of governmental defaults in industrial aid bonds over the past 126 years, it is my belief that the U. S. Congress should be seriously concerned not only with the disastrous effects that future bond defaults would have upon the financial integrity of our state and municipal governments, but as well with the financial losses that so many unsophisticated investors would suffer.

Misinformed Investors

It is feared that most of these unsophisticated investors, who have purchased industrial development revenue bonds, are of the belief that they are investing in high-grade tax-exempt municipal bonds, whereas they are in fact speculating in first mortgage bonds on industrial real estate secured only by its rental income, and not at all by the sponsoring municipal government.

Plant location should be based upon the basic factors of climate, labor supply, the proximity of raw materials and markets, sources of power and transportation facilities, and water supply. Whenever the non-tax costs of operating a business are about equal among the various potential locations, then the state and local tax factors may well be the determining considerations in selecting the plant site.

At present, not only are there great disparities between the tax loads of identical business firms scattered among our States, but there are also great disparities between the tax loads of identical concerns located in different municipalities within the same state.

If we are to promote the maximum industrial development throughout our country, it is essential that we eliminate or greatly modify these interstate and interlocal tax differentials. This result can be accomplished by one or more of the following methods:

(1) The adoption of a uniform "code of ethics" by all of our state governments as to their policy of granting tax concessions and tax exemptions, as well as to their policy of refusing to construct plants for any private industry.

(2) All of our state governments should adopt a uniform state and municipal tax structure.

(3) All of our states should adopt a program of cooperative action toward applying uniform tax systems to certain classes of manufacturing corporations.

(4) The individual state governments should enact tax legislation that would place its private industries on an equal footing with their competitors in neighboring states.

Legislative action by the various states offers the most practicable solution of the problem. An industrial firm would then determine to locate where its costs of goods and services are held to a minimum and not by tax concessions.

Over the past decade, we have witnessed a constantly increasing tendency to fractionalize our three levels of government, state, county and municipal, by means of organizing public authorities. These authorities are created and operated outside the normal structures of our governments, and are not subject to normal controls by the voting citizens.

Since there already exists a large number of public authorities throughout our nation, at the interstate and intrastate levels, we must recognize the inherent dangers which they present to our democratic form of government, for we have been steadily moving toward government by public authorities in recent years.

Many public authorities, such as the Port of New York Authority, have issued bonds in connection with a proprietary purpose and not for an essential governmental function, which in my opinion is in contravention of public policy, for it violates the equal protection clauses and the due process clauses of our Federal constitution.

Congress Should Act

It is my belief that the U. S. Congress should initiate action with regard to all public authorities that affect interstate and foreign commerce, particularly in those cases where the states have neglected to install such effective controls as will insure free competitive enterprise the ability to function in our society, and engage in interstate commerce free of unfair competition from tax-exempt proprietary ventures conducted by or leased from public authorities.

Public authorities should be limited in their operations to specific and essential governmental functions for the public benefit, (and only in those areas where the authority form of operation is really appropriate. However, these authorities should not be allowed to become super-governments accountable only to themselves. They must be both responsible and responsive to the mandate of the people through their elected representatives.

It is my opinion that the legislators and state tax administrators of each state should take prompt action to halt this alarming trend of increased public financing of private industries.

All those who are interested in preserving our basic system of FREE competitive enterprise should strive to restore private initiative to its proper position in financing industrial development and to eliminate all governmental tax concessions and give-aways of plants which are designed to lure industry from one area of the country to another. In the long run, the results of such action will be stronger municipal governments and a better climate in which private industry can develop itself.

A company that receives a free plant or low rentals from the municipality also receives a special competitive advantage over the other companies that pay their

fair share of the tax burdens. It should be emphasized that when a municipal government encourages new industry by granting tax exemptions or tax concessions, it is automatically giving away a substantial portion of its tax base, and its loss of such tax revenue must be regained from other sources such as the sales tax which usually affects inequitably the low income earners. Moreover, municipal governmental officials do not seem to recognize that, as a result of their give-aways to private industries, their municipality may be unable to finance essential capital improvements, such as schools, roads, and storm sewers. It is obvious that the very solvency of our municipal governments will be endangered increasingly if they insist upon continuing the practice of issuing industrial development revenue bonds.

Unfair to Competitive Firms

These industrial development revenue bonds are grossly unfair unto the remaining competitive industries that were already established within each such state, and serve only to undermine the basic principles of our system of taxation, namely, equality of taxation for all property of the same class. These improper governmental subsidies to private industries serve more and more to disrupt our system of free competitive enterprise, which is the keystone of our democratic economy, and has become a serious peril to the economic welfare of our nation and to the American system of dual sovereign governments.

It is incumbent upon our state governments and state industrial development authorities promptly to develop a proper "Code of Ethics" in their usage of public funds for the purpose of enticing private industry to their areas; otherwise Federal legislation may well be necessary to control this urgent problem.

In my opinion, the time has long passed for further studies and resolutions on the problems of governmental subsidies of private industry. The problem is so acute, at this point of time, that it demands national attention and national action. Unless these governmental subsidies are brought under proper control with dispatch, the end result can only be the destruction of our system of free competitive enterprise, and its replacement by a competitive public benefit system of enterprise.

*An address by Mr. Wolkstein before the Annual Conference of the National Tax Association, Seattle, Washington, September 5, 1961.

Automated Prints Stock All Sold

Street & Co., Inc., New York City, reports that its recent offering of 85,000 common shares of Automated Prints, Inc., at $3.50 per share has been all sold. Net proceeds from the sale will be used by the company to repay debt, purchase machinery and equipment and increase working capital.

The company of 201 South Hoskins Road, Charlotte, N. C., is engaged in the silk screen printing of decorative designs on precut textile fabrics, supplied and owned by its customers, which are used in a variety of consumer products, such as towels, bathmats, shower curtains, etc. To a limited extent the company also packages customers' products.

Form Delger Corp.

OGDEN, Utah—The Delger Corporation has been formed with offices at 259 31st Street to engage in a securities business. Franklin D. Richards is a Principal of the firm.

Businessman's BOOKSHELF

American Management Association "Management Bookshelf"—A Catalog of AMA Publications and Films — American Management Association, Inc., 1515 Broadway, New York 36, N. Y. (paper).

Berlin—1961—Basic Facts—Department of State Publication 7257 — Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 30 cents.

Basic Insurance Books: Casualty, Fire, Marine, Surety — Bibliography designed for those interested in careers in insurance, for newcomers in the business, and for librarians seeking sources of information on insurance—Insurance Information Institute, 60 John St., New York 38, N. Y. (on request).

Business Review — August, 1961, issue containing articles on Spectator Sports Industry, and Seasonal Industries—Federal Reserve Bank of Philadelphia, Philadelphia, Pa. (paper).

Can the Research Scientist Acquire a Management Attitude?—M. R. Nestor—Battelle Memorial Institute, 505 King Avenue, Columbus 1, Ohio (paper).

Cases in Law of the Real Estate Business—Harold F. Lusk—Richard D. Irwin, Inc., Homewood, Ill. (paper), $3.35.

Charting Steel's Progress—A graphic facts book on the iron and steel industry—American Iron and Steel Institute, 150 East 42nd Street, New York 17, N. Y. (paper), 50 cents.

Cleveland's Neighborhood Improvement Program — Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 20 cents.

Colombo Plan—Discussion of the plan and what it is—British Information Services, 45 Rockefeller Plaza, New York 20, N. Y. (paper).

Colombo Plan Story: 10 Years of Progress 1951-1961 — Illustrated Brochure—Colombo Plan Bureau, Colombo.

Company Organization of Insurance Management — Albert A. Blum — American Management Association, 1515 Broadway, New York 36, N. Y., $3.75.

Cotton Production in the United States — Crop of 1960 — Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (paper), 15 cents.

Denmark—Detailed book on the country, its culture, history, industries and people—Royal Danish Ministry of Foreign Affairs—Danish Information Office, 588 Fifth Avenue, New York 36, N. Y.

Discrimination—A Study of Recent Developments in American Life Insurance—Halsey D. Josephson—Arco Publishing Company, Inc., 480 Lexington Avenue, New York 17, N. Y., $5.

Economic Indicators: Ninth Federal Reserve District and United States — Research Department, Federal Reserve Bank of Minneapolis, Minneapolis, Minn. (paper).

Educational and Cultural Exchange Opportunities—Department of State Publication 7201—Superintendent of Documents U. S. Government Printing Office, Washington 25, D. C. (paper), 15 cents.

Facts About Japanese Wages — United States-Japan Trade Council, 1000 Connecticut Avenue, Washington 6, D. C. (paper), on request.

Falk Foundation: Report for 1959 and 1960 — Maurice and Laura Falk Foundation, Pittsburgh, Pa. (paper).

Farm Policy for the Sixties — Lauren K. Soth—National Planning Association, 1606 New Hampshire Avenue, N. W., Washington 9, D. C. (paper), $1.

Foreign Aid: Facts and Fallacies—Department of State Publication —7239— Office of Public Services, Bureau of Public Affairs, Washington, D. C. (paper).

Foreign Crops and Markets, World Summaries of Crops and Livestock —U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C. (paper).

Foreign Government Purchasing Agencies—Pamphlet—No. 61-42 in Part 2 of the Commerce Department's World Trade Information Service—Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., 10 cents.

Freedom and the Law — Bruno Leoni—D. Van Nostrand Company, Inc., 120 Alexander Street, Princeton, N. J. (cloth), $6.

Freeman, August, 1961—Containing Articles on Forging Africa's Chains; Highway Dilemma; How State Help Destroys Self Help; European Common Market etc.—Foundation for Economic Education, Irvington-on-Hudson, N. Y., 50 cents.

Freeman, September, 1961—Containing articles on Freedom and the Nature of Man, What Liberty Is, Education for Individualism, Miracle of the Market, etc. — The Foundation for Economic Education, Inc., Irvington-on-Hudson, N. Y., 50 cents.

French Chamber of Commerce of the United States, Inc.— History and Activities, By-Laws, Members, etc. — French Chamber of Commerce of the United States, Inc., 250 West 57th Street, New York 19, N. Y. (paper).

French Technical Bulletin—No. 6 (1961) containing articles on Orly Airport; and activity of French Ports; No. 5 (1961) containing articles on Malting Plant at San Marcos, French Machine Tool Design and New System of Air Distribution in Cold Storage Rooms; No. 4 (1961) articles on Technical Progress in Design and Construction of Blast Furnaces; Research on Use of Wind Power; Aspects of Timber and Woodworking Industries in France; No. 3 (1961) Solving Water Problem in Brasilia, Gradval Dam, Machine Tools for Plate and Boiler Making Industries; No. 2 (1961) Tube Drawing Equipment; Illumination of Brasilia; No. 1 (1961) Irrigation and Allied Projects in Southern France, Continuous Processing Equipment for Manufacture of Oils and French Operational Solar Battery—Economic Section of the French Embassy, 610 Fifth Avenue, New York 20, N. Y.

Geographic Differences in Seasonal Instability — Philip J. Bourque and George J. Brabb—U. S. Department of Labor, Bureau of Labor Statistics, Washington, D. C. (paper).

German American Chamber of Commerce — Annual Report for 1960—German American Chamber of Commerce, 666 Fifth Avenue, New York 19, N. Y.

German American Trade News, July, 1961 — Review of German Economic Growth — German American Chamber of Commerce, Inc., 666 Fifth Avenue, New York 19, N. Y. $4 per year.

Handbook of Control Reminders—H. J. Hintze—Text covering the entire field of management practices—Prentice-Hall, Inc., Englewood Cliffs, N. J., $6.95.

Health Insurance Books—Selected Bibliography — Health Insurance Institute, 488 Madison Avenue, New York 22, N. Y. (paper).

Herbert Hoover, An American Epic—Vol. III: Famine in Forty-Five Nations; The Battle on the Front Line, 1914-1923 — Hoover Institution on War, Revolution and Peace, Stanford University, Stanford, Calif. (cloth), $6.50.

How to Create New Ideas—How to develop and perfect creative skills and abilities with special methods, drills, exercises, practice materials and techniques—A simple systematic process for creating new ideas at will—Jack W. Taylor—Prentice Hall, Inc., Englewood Cliffs, N. J. (cloth), $4.95.

Illegal For-Hire Trucking Problems—Transportation Association of America, 1710 H Street, N. W., Washington 6, D. C. (paper).

Information des Actionnaires et des Epargnants — Claude Heurtex Vol. I of Library of Commercial Law — Librairie Sirey, 22 Rue Soufflot, Paris 5, France.

International Bank for Reconstruction and Development—16th annual report — International Bank, Washington, D. C. (paper).

Information Searching—Brochure describing American Society for Metals new electronic system of searching technical articles, documents and patents on metals and related subjects—American Society for Metals, Metals Park, Novelty, Ohio (paper).

International Executive, Summer, 1961—Containing articles on Joint International Business Ventures; Joint Venture Attitudes and Experience; How to Spread into World Markets, etc.; Foundation for the Advancement of International Business Administration, Inc., Box 104, Riverdale Station, New York 71, N. Y., $4.75 per copy; $15 per year (issued quarterly).

International Monetary Fund — 16th annual report—International Monetary Fund, Washington, D. C. (paper).

Investing for Income and Security —Maxwell S. Stewart—Public Affairs Committee, Inc., 22 East 38th Street, New York 16, N. Y. (paper), 25 cents.

Investments—George W. Dowrie —Third Edition—John Wiley & Sons Inc., 440 Park Avenue, South, New York 16, N. Y., $9.

Jordan—Fact Sheet—Department fo State Publication 7184—Superintendent of Documents, U. S. Government Printing Office Washington 25, D. C. (paper), 10 cents.

Labor Statistics — Proceedings of 18th Interstate Conference (June, 1960)—U. S. Department of Labor, Bureau of Labor Statistics, Washington, D. C. (paper).

Life Insurance Association of America—Proceedings of the 54th annual meeting — Life Insurance Association of America, 488 Madison Avenue, New York 22, N. Y. (paper).

Life Insurance Fact Book 1961—Institute of Life Insurance, 488 Madison Avenue, New York 22, N. Y. (paper).

Management International — International Review for Management and Managerial Sciences—(published in English, French, German and Italian), $10 per year plus postage—Betriebswirtschaftlicher Verlag, Wiesbaden, Germany.

Merchant Credit in Southeastern Agriculture — Federal Reserve Bank of Atlanta, Atlanta, Ga. (paper).

Mobile Homes Industry Report, 1961—Tenth annual report—Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago 6, Ill.

Motor Truck Facts, 1961 Edition—Automobile Manufacturers Association, Inc., New Center Building, Detroit 2, Mich. (paper).

National Peril, and Where We Stand in National Defense — National Planning Association, 1606 New Hampshire Avenue, N. W., Washington 9, D. C. (paper), $1.

New and Better Way of Paying for College—Brochure describing a "Planned Education Program"—Chemical Bank New York Trust Company, 165 Broadway, New York 15, N. Y. (paper).

New York Insurance Department — 102nd Preliminary Report of the Superintendent of Insurance to the New York Legislature Covering the Calendar Year 1960 —New York Insurance Department, 324 State St., Albany 10, N. Y.

New York Stock Exchange Directory, revised to July 1, 1961—Commerce Clearing House, Inc., Chicago 46, Ill. (paper), $3.

Nonfarm Mortgage Investment of Life Insurance Companies — Federal Home Loan Bank Board, Washington, D. C. (paper).

Oil Producing Industry in Your State — Review of Domestic Petroleum Industry — Independent Petroleum Association of America, P. O. Box 1019, Tulsa 1, Okla. (paper).

Oil Prospects and Profits in the Eastern Hemisphere—Edward Symonds—First National City Bank of New York, Petroleum Department, 399 Park Avenue, New York 22, N. Y.

1,000 Ways to Increase Your Sales —Alfred Tack—Ideas, tips and techniques devised by British Salesmen to help bolster their economy — Including techniques for getting more out of a territory, ways to close orders, selling aids, and a guide to checking and improving sales ability — Prentice-Hall, Inc., Englewood Cliffs, N. J. (cloth), $4.95.

Organizing for Effective Tax Management — The role of tax management in America's industrial complex—Tax Executives Institute, Inc., 1111 E Street, N. W., Washington 4, D. C. (paper).

Pick's Currency Yearbook—Franz Pick—Pick Publishing Corporation, 75 West Street, New York 6, New York (cloth), $40.

Planning Modern Farm Wiring—National Electrical Manufacturers Association, 155 East 44th Street, New York 17, N. Y., 25 cents.

Professional-Partnership Purchase Plans—Alden Guild—National Life Insurance Company, Montpelier, Vt. (cloth).

Puerto Rico—Quarterly Report to Investors in Puerto Rican Securities — Government Development Bank for Puerto Rico, San Juan, Puerto Rico (paper).

Read Faster—Nila Banton Smith —Parker Publishing Company, Englewood Cliffs, N. J., $5.95.

Relativism and the Study of Man —Helmut Schoeck and James W. Wiggins, Editors — D. Van Nostrand Company, Inc., 120 Alexander Street, Princeton, N. J. (cloth), $6.50.

Howard W. Sams Book List — Technical books for fall 1961 — Howard W. Sams & Co., Inc., Indianapolis 6, Ind.

Savings & Home Financing Source Book, 1961 — Federal Home Loan Bank Board, 101 Indiana Avenue, N. W., Washington 25, D. C. (paper).

Small Business—Reprint from Advanced Management Magazine — Daniel J. Edelman & Associates, Inc., 437 Merchandise Mart, Chicago 54, Ill. (paper).

Specifications for Farmstead Wiring—National Electrical Manufacturers Association, 155 East 44th Street, New York 17, N. Y., 25 cents.

State of Singapore, Annual Report for 1959 — Illustrated Report on History, Culture and Economics—Government Publications Bureau, General Post Office, Fullerton Building, Singapore (hard cover), $3.

Statistical Abstract of the United States — 82nd Edition — Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C. (cloth), $3.50.

Statistics on the Savings Market, 1961 Edition — American Bankers Association, 12 East 36th Street, New York 16, N. Y. (paper), $1.

Business Activity in 1961 And Cold War Implications

Continued from page 4

For them, the gains of Communism may have a great attraction.

In summary, the possibility of war over Berlin exists as long as the two military forces are mobilized in such a small space. The fact that the struggle has been enlarged makes the danger of war no less great. In this context, the struggles will be broader and longer than might be expected. Moreover, a military test of strength at some less critical point at a level short of nuclear war should be clearly realized. It will require great skill to keep such a struggle from growing into outright war.

Sharp Recovery

Business activity in the United States has recovered sharply from the mild recession of 1960-61. In part, the speed of the recovery was caused by the increased military preparation and, in part, it was the result of business forces. The statistics of recovery disclose a much sharper recovery than conversations with businessmen confirm. From a low point of 102% of the 1957 average in February 1961, the Federal Reserve Board Index of Industrial Activity rose to 112% in July; this figure exceeded the previous all-time high of 111% reached in January 1960. The gross national product also rose to $516 billion, seasonally-adjusted annual rate, in the second quarter of 1961, eclipsing the previous peak of $506.4 billion in the second quarter of 1960. It represented an advance of about 3% over the low reached in the first quarter of this year. These gains are greater than those occurring in previous recovery periods in the postwar period.

Every recovery as well as every recession has some peculiarities, and the current one is no exception. The recession of 1960-61 was moderate; in fact, it was probably one of the mildest in history. The decline was relatively rapid and the recovery has been even more so.

It must be remembered that the recession began at a time when resources were not fully employed. There has been a controversy about some aspects of this problem, but unquestionably, there were unemployed resources as well as manpower at the time of the downturn. The reason for the downturn has been widely debated. The point to be made is that the recession started before full employment had been reached.

Unusual Wholesale Price Behavior

The behavior of prices during the recovery has been unusual in that the wholesale price index reached a three-year peak of 120% of the 1947-49 average in February 1961—the low point of the recession—and during the recovery it has fallen almost steadily. The decline is observable not only in agricultural prices, but in industrial prices as well. The reductions reported by the press have been relatively sharp. The failure of prices to advance at the wholesale level has been observable in world raw material prices as well. After rising slightly from February to May, the sensitive commodity price index compiled by the Bureau of Labor Statistics as well as the United Kingdom Reuter's index declined. The current war scare has not been accompanied by an advance in sensitive prices. As a matter of fact, the stability of prices throughout the last cycle and in the present recovery has been remarkable. Since early in 1958, the wholesale price level has fluctuated between 120.0% and 118.2% of the 1947-49 average.

It has frequently been observed that the percentage of unemployment was higher at the peaks of succeeding postwar recoveries with one exception. The present industrial recovery has not resulted in any decrease in the percentage of the labor force unemployed. In December 1960, 6.8% of the labor force was reported to be unemployed, and that figure has fluctuated between 6.8% and 6.9% since that date. Thus, it would appear that employment has behaved according to seasonal factors. Employment in the manufacturing industries has increased more than seasonally during the period of the recovery, and the gain has been greater in the durable goods manufacturing industries while the non-durable goods manufacturing industries showed some recovery. Average weekly hours of manufacturing employees rose from 39.1 in February to 40.1 in July. These factors explain in part the manner in which the increase in the production of goods was achieved. While manufacturing industries have increased employment during the period of recovery, the fact that the percentage of persons unemployed remains relatively stationary indicates that the economy is not expanding rapidly enough to absorb the new entrants into the labor force.

Interest Rate Stability

Interest rates in the short-term market have been remarkably stationary during the current period of recovery. The Monthly Review of the Federal Reserve Bank of St. Louis states that over the last year both the general level and the structure of interest rates have varied less than at any time since the end of the controlled money market. Interest rates have, however, been higher than during preceding postwar recession periods.

It is important to note the remarkable degree of stability which has occurred in many of the sensitive economic series which frequently respond quickly to changes in industrial activity. The recovery thus far has been achieved without significant changes in interest rates, commodity prices, or the percentage of unemployment, and it is necessary to inquire whether the factors now shaping up are likely to result in such changes. This will require an examination in terms of probable consumer behavior over the next year, the course of business investment, and the course of governmental expenditures.

Consumer Spending

Consumers are widely believed to hold the key to the possible trend of business activity. In the second quarter, consumers' expenditures rose $5.5 billion due to increases in automobile and service expenditures. Other expenditures changed only moderately. Some types of expenditures by consumers declined. Retail sales, an indicator of consumer expenditures, have fluctuated from $17.8 billion, monthly rate seasonally-adjusted, to $18.5 billion over the last year. From June to July, a slight decline was reported. Personal income, on the other hand, has been advancing and exceeded $422 billion, seasonally-adjusted annual rate, in July. As a result, savings as a percentage of personal income rose to 7.1% in the second quarter. As was noted earlier, July showed an advance in income with a decline in retail sales.

It is almost certain that personal income will continue to advance during the remainder of the year and well into next year. Probably the increase will be somewhat less than the more sanguine forecasts, but pessimism would not be justified at all. The consumer surveys indicate that there is little disposition on the part of consumers in increasing spending sharply. Non-durable expenditures will probably reach an annual rate of $156 billion this year and $160 billion next year. Durable goods, on the other hand, fluctuates more widely and a part of the advance (as well as the current decline) was the result of fluctuations in the expenditures for automobiles. Other durable goods are showing little sign of recovery. Service expenditures are likely to continue to advance slowly.

Granting the assumptions about military conflict and recognizing the fact that panic buying has not started, consumers are almost certain to continue to increase their spending out of continuously advancing income at a rate sufficient to maintain savings at a high level. In other words, consumer spending will continue to advance, but there is unlikely to be any sudden spurt.

Business investment is an influential factor, and its fluctuations have in the past been responsible for most of the cyclical changes. Business investment includes private residential and non-residential construction expenditures, plant and equipment expenditures, and inventory investment.

Public and Private Construction

Total public and private construction expenditures have risen from $55.7 billion seasonally-adjusted annual rate in February 1961 to $58.3 billion in August. It was slightly above July and 4% above August 1960. Housing starts rose in the first half of the year, but have been declining in the last two months. The behavior of this sector of the economy shows that at least for some time supply has caught up with demand. Private housing starts have lagged behind last year for the first seven months by 14,500 units. Public housing starts so far this year total 30,400 as compared with 18,800 last year. Both for-sale vacancies and residential vacancies are the highest in some time, and the reports of public housing vacancies in some cities are staggering. Governmental housing aids in the form of funds at low interest rates, subsidies, and similar measures have not been able to stimulate new demand. The counter-cyclical effect of governmental housing aids is no longer so effective; it has proved difficult in recent months to stimulate demand. This has resulted in a downward revision of housing starts both for this year and next by many experts in the field.

Commercial and industrial construction expenditures have been declining since January, but other types of private construction have risen by an amount sufficient to offset the decrease. Since plant and equipment expenditures will probably rise next year, some increase in this type of construction expenditure should be anticipated. The extent of the increase will be discussed in the subsequent paragraph.

Plant and Equipment Spending

Plant and equipment expenditures declined from an annual rate of $36.3 billion in the second quarter of 1960 to $33.9 billion in both the first and second quarters of 1961. This was a decrease of only 7% as compared with a decrease of almost one-fourth in the 1957-58 recession. Thus, the decline in 1960-61 was much milder than it had been in preceding recessions. The surveys compiled by the government indicate that these expenditures have risen to $34.5 billion in the third quarter and that a further advance will occur in the fourth quarter. In the fourth quarter these expenditures should be at an annual rate of about $35.5 billion. This means, of course, that the investment sector of the economy will be providing additional stimulus.

The problem of the course of business investment during 1962 can only be guessed at. There is a substantial volume of unused capacity existing in the economy at the current time and, consequently, the need to embark upon an extensive investment program does not exist. If this were the only factor to be considered, it would be simple enough to forecast that the mild upward trend which we are now observing would continue into 1962. This is not, however, the only factor to be considered. In a subsequent section of this paper, I intend to discuss the probable course of governmental expenditures. Since defense expenditures are certain to rise, these expenditures may cause an additional advance in business investment in order to construct the specialized facilities needed to manufacture both conventional and newer weapons of military defense. The latter type of military expenditure will, of course, be concentrated in the field of highly complicated scientific machinery. The volume of expenditures may be large, but it may not consume so many raw materials as will the manufacture of conventional weapons. The materials required will, however, be of a more specialized character. These expenditures are likely to be the most important factors in the planned increase of governmental expenditures in the next year.

Inventory Trend

Inventory investment, the final factor in business investment expenditures, will also be important in the next year. Inventories were accumulated in 1959 in anticipation of the steel strike. In early 1960, inventories were also accumulated because it was anticipated that a high level of industrial activity would characterize the end of 1960. Business, however, declined and inventories were liquidated in both the fourth quarter of 1960 and in the first quarter of 1961. In the first quarter of 1961, inventories were liquidated at an annual rate of about $4 billion. In the second quarter of 1961, there was a change from inventory liquidation to inventory accumulation. As a matter of fact, this change accounted for almost half of the advance reported in the gross national product. The behavior of inventories over the remainder of the year will, of course, be influenced by many factors. About a quarter of the inventory build-up which occurred in the second quarter was the result of increased stocks of automobiles held both by producers and distributors. Manufacturers' inventories outside the automobile sector continued to decline, and this decline was offset only in part by an accumulation of non-durable goods stocks. The Department of Commerce has now started to report a survey of the intentions of manufacturers to accumulate inventories, and this survey indicates that they will advance in the third quarter. The experience with this survey has proved relatively satisfactory. It should, however, be noted that it does not include inventories held by wholesalers and retailers.

There is some discussion about the fact that the fear of a steel strike next year will induce some inventory accumulation, and there are some people who anticipate that inventories will be accumulated because of a fear that prices will advance or that the government will control stocks. This is clearly possible, but it does not suggest that inventories will be accumulated at rates comparable to those existing in 1959 or early 1960.

Sees Greater Defense and Aid Spending

The expenditure program of the government will, unquestionably, be the most volatile factor in the business picture over the next several years. The analysis of the foreign situation which I made earlier indicates that estimates of expenditures are subject to considerable change. It had been recognized that in fiscal year 1962 the budget would be out of balance by slightly less than $3 billion. This figure has now been revised upward to at least $5.3 billion, and there are private estimates that it will exceed $6 billion. The President is planning to present to Congress a budget that will be in balance for fiscal year 1963, apparently, even if it requires an increase in taxes. At this time, it is almost impossible to guess how much military expenditures will increase.

Since my view of the international situation is extremely pessimistic, I would be inclined to believe that we have not seen the maximum appropriation for military defense. Almost certainly during the critical months ahead, President Kennedy will call upon Congress for renewed military appropriations.

Moreover, we are embarking, as I explained earlier, upon an international economic program in which we will aid the nations of the Western world as well as Africa and Asia to improve their economies. The most important point is that from now on a larger proportion of the output of the American economy will be shifted from use in the private sector to use in the public sector. This may mean increased taxes — and it probably does. Those people who argue that an unbalanced budget during the depressed phase of the cycle is desirable to stimulate the economy did not mean that this argument should be extended where there is a permanent shift in the use of resources and manpower.

Tax Increase and Controls

What are the implications of such a shift in resources and the use of resources? In the first place, a shift in the use of resources changes in a significant way the potential output of the economy. In a strictly peacetime economy it might be possible to produce more goods than can be produced when a large proportion of the economy is employed in the public sector. The possibility of controls over wages, prices, and raw materials clearly comes to the fore at this time. Obviously, if the shift is relatively small, such programs will not be required. But the larger the percentage of output shifted, the greater will be the possibility of these controls. It might also be noted that once adopted, they are likely to become imbedded in the economy.

It is possible to suggest that the public policy now being expressed by the President on the wages and prices in both the automobile and steel industry foreshadows a more positive policy. He suggested that prices should be held stable on a voluntary basis. If this is not done, positive measures might be adopted. This is a relatively unfavorable prospect, but it is no less unfavorable than the political developments now occurring on the international scene.

Monetary Policy

What does this analysis mean in terms of monetary policy, interest rates, and credit? Monetary policy must, of course, continue to create conditions permitting the cyclical forces of recovery to operate, but also to finance the national defense effort. The money supply on a seasonally-adjusted basis rose during the recession, but in the last four months it has

been almost constant. Now, interest rates have shown only moderate strength, and the probability is that until the economy operates closer to capacity, an upward adjustment is unlikely. Stability probably will characterize interest rates for about six months, but after that an advance is likely.

The usual economic analysis concludes with a presentation of specific estimates of certain better-known economic aggregates. So far, I have spoken only qualitatively, because it is impossible to estimate how great the impact of the military program will be. The trend of business will be upward throughout most of the next 12 to 18 months. The most significant fact, however, is that a larger proportion of the output of the economy, both absolutely and relatively, will be required by the government to carry out its military and economic aid programs. The danger of war, perhaps war itself, will provide the background for these developments.

*An address by Mr. Coleman before a meeting sponsored by the Chicago City Bank and Trust Company, Chicago, Ill., Sept. 12, 1961.

STATE OF TRADE AND INDUSTRY

Continued from page 15

extremely strong support from automakers.

In spite of the automotive picture, steel operations are in for a steady rise through the year and well into 1962. Steelmaking operations (as a percent of capacity) should average 67% for the third quarter, from 75 to 77% in the fourth, with the rate touching 80% before the year is over.

A significant change is noted in steel buying. The upturn so far this year was characterized by an increase in number of orders. Now, the emphasis has shifted to size. This means steel users are not only trying to build up some inventory, but they are doing it in the face of their own increasing consumption.

The auto strikes will confuse the market this fall, with a resulting scramble for steel and rapid lengthening of delivery dates. But there is no weakening or slowing of the rate of advance, the *Iron Age* says.

Steel Production Data for the Week Ended Sept. 16

According to data compiled by the American Iron and Steel Institute, production for week ended Sept. 16, 1961 was 2,032,000 tons (*109.1%), equal to the output of 2,032,000 tons (*109.1%) in the week ended Sept. 9.

Production this year through Sept. 16 amounted to 66,204,000 (*96.0%) or 13.7% below the period through Sept. 17, 1960.

The year to date production for 1960 through Sept. 17, 1960, 37 weeks, was 76,696,000 tons or *111.3%.

The Institute concludes with Index of Ingot Production by Districts, for week ended Sept. 16, 1961, as follows:

	*Index of Ingot Production for Week Ending Sept. 16, 1961
North East Coast	114
Buffalo	103
Pittsburgh	101
Youngstown	97
Cleveland	134
Detroit	143
Chicago	111
Cincinnati	113
St. Louis	93
Southern	89
Western	112
Total	109.1

*Index of production based on average weekly production for 1957-59.

Big Boosts in Steel Deferred Until Auto Peace Is Assured

Look for steelmakers to have a good September in spite of auto industry strikes, *Steel*, the metalworking weekly magazine, said.

The strikes last week had no immediate impact on ingot production or rolling schedules. However, instructions from General Motors Corp. to stop truck shipments to auto plants near their mills created storage problems at the mills.

Barring long shutdowns at key automotive plants, September steel shipments should equal last month's. It is doubtful that they will exceed August's for two reasons: (1) The strikes created shortages of critically needed parts and prevented automakers from reaching volume production. (2) September has three less shipping days than August.

Steelmakers are not minimizing the serious impact that extended shutdowns at key auto plants could have. A major mill told *Steel* that its total shipments for September would certainly fall short of August's, if the strikes against General Motors are not settled by the end of this month.

Bigger shipments to nonautomotive customers will partly offset shipping losses due to auto industry strikes. A lot of miscellaneous users are coming back into the market.

Steel producers are avoiding any substantial boost in production schedules until they are sure there will not be a prolonged auto strike and that business will continue to improve.

Look for ingot production this week to be about the same as the 2,050,000 tons that *Steel* estimates the industry poured last week.

The magazine's price composite on No. 1 heavy melting grade of scrap rose 33 cents to $39.83 a gross ton last week, despite easing of buying pressure.

The October outlook for steelmakers is bright.

Orders for October are running slightly ahead of those entered for any prior month this year, Chicago mills report. In the East, steelmakers are a little less optimistic. Their sales are on a plateau.

Although it is too early to say with certainty how October will shape up—users are still buying hand to mouth—there is a good chance that next month's shipments will be larger than first predicted. Part of the tonnage shipped in October may be steel automakers deferred from September.

Cesium, an often rejected metal that has been around since 1860, has the potential to become a key material in the U. S. race to the planets, *Steel* reported.

Cesium has one big plus over the stronger, more stable metals. It has the greatest tendency of any metal to ionize. Otherwise, it has many undesirable characteristics: When exposed to air, it instantly bursts into flame. It explodes on contact with water. It is the softest but also the heaviest of the alkali metals. It is worthless as a structural material.

Late next year, the National Aeronautics & Space Administration will test an ion-propelled space vehicle. If the ion engine lives up to expectations, a multi-million pound a year market for cesium will develop almost overnight. Consumption is set to spurt in ion propulsion and, perhaps, in thermionics and magnetohydrodynamics.

UAW and Big Three Dispute Causes Losses in Both '62 Model Car Production And '61 Model Sales

The auto industry today counted losses in both '62 model car production and in '61 model sales due to delays in wrapping up the UAW-Big Three labor contracts.

Ward's Automotive Reports said industry Sept. 1-10 auto sales—all '61 models — dropped 28% below the August 1-10 level. In addition, it totaled GM Corp. '62 model production losses to date at nearly 60,000 units.

The twin losses were attributed importantly to unsettled early September labor negotiations as they threatened '62 model dealer sampling. GM auto making in addition, was forced to a virtual standstill this week.

The statistical service reported Sept. 1-10 auto buying at 78,826 units—a low 11,261-unit daily average that figured to only 71.8% of the 15,692 daily rate a year ago when 125,538 cars were sold.

During Aug. 1-10 this year, sales totaled 141,486 units, equivalent to a 15,721 rate.

Ward's said that auto dealers, particularly those faced with shortages, apparently were encouraged to stretch out their already thin '61 model supplies.

The industry's Sept. 1-10 sales breakdown was reported at 41.4% for GM Corp., 33.7% Ford Motor Co., 14.6% Chrysler Corp., and 9.4% for American Motors. The Studebaker-Packard Corp. share was .9%.

Ward's said that GM was a less-than-normal factor in the Sept. 1-10 auto market, and added that industry sales shares in general for the period bear some correlation with 1961 model availability.

The statistical service estimated that '61 model Corvair inventories will average less than two units per dealer on the Sept. 28 new model introduction day. The Buick Special may average less than one per dealer by Sept. 28.

The industry's dealer inventory was reported by *Ward's* at 690,000 cars on Sept. 10 — including 455,000 of the '61 and 235,000 of the '62 models, with total GM carryover '61 stocks forecast at less than 10 per outlet by Sept. 28.

Business Failures Up Slightly From Holiday Low

Commercial and industrial failures rose slightly to 292 in the week ended Sept. 14 from the holiday week low of 275 in the preceding week, reported Dun & Bradstreet, Inc. However, casualties fell short of their year-ago level of 305 for the similar week, although they remained above the 264 occurring in 1959. Some 8% more businesses succumbed than in the comparable week of pre-war 1939 when the toll was 269.

Failures involving liabilities of $100,000 or more edged to 33 from 30 in the previous week, but were off fractionally from 35 of this size last year. An increase, on the other hand, lifted casualties with losses under $100,000 to 259 from 245 a week ago although they did not reach their 1960 level of 270 for the corresponding week.

The toll among construction contractors climbed appreciably to 54 from 34, while slight increases prevailed in retailing, up to 146 from 140, and in manufacturing, up to 35 from 33. Contrasting dips occurred in wholesale trade, off to 32 from 39, and in commercial service, down to 25 from 29. Fewer retailers and manufacturers succumbed than a year ago, and the service toll held even. Both wholesalers and construction contractors, however, suffered slightly more casualties than in the similar week last year.

Electric Output 11.0% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Sept. 16, was estimated at 15,869,000,000 kwh., according to the Edison Electric Institute. Output was 31,000,000 kwh. above that of the previous week's total of 15,838,000,000 kwh. and 1,571,000,000 kwh., or 11.0% above that of the comparable 1960 week.

Lumber Shipments Were 4.4% Ahead of 1960 Volume

Lumber production in the United States in the week ended Sept. 9, totaled 194,810,000 board feet compared with 224,761,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 193,532,000 board feet.

Compared with 1960 levels output climbed 0.7%, shipments rose 4.4% and orders fell 0.4%.

Following are the figures in thousands of board feet for the weeks indicated:

	Sept. 9 1961	Sept. 2 1961	Sept. 10 1960
Production	194,810	224,761	193,532
Shipments	198,623	215,340	190,276
Orders	188,817	217,571	189,565

Freight Car Loadings for Week Ended September 9 Decline 14.5% Below Preceding Holiday Week

Loading of revenue freight in the week ended Sept. 9, which included the Labor Day holiday, totaled 512,726 cars, the Association of American Railroads announced. This was a decrease of 86,623 cars or 14.5% below the preceding non-holiday week.

The loadings represented an increase of 32,661 cars or 6.8% above the corresponding week in 1960, when traffic was affected by strikes on several eastern railroads, and an increase of 35,110 cars or 7.4% above the corresponding week in 1959 (during the steel strike).

There were 12,356 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Sept. 2, 1961, (which were included in that week's over-all total). This was an increase of 1,261 cars or 11.4% above the corresponding week of 1960 and an increase of 3,730 cars or 43.2% above the 1959 week.

Cumulative piggyback loadings for the first 35 weeks of 1961 totaled 385,135 for an increase of 14,849 cars or 4.0% above the corresponding period of 1960 and 110,641 cars or 40.3% above the corresponding period in 1959. There were 58 Class I U. S. railroad systems originating this type traffic in the current week compared with 55 one year ago and 50 in the corresponding week in 1959.

Intercity Truck Tonnage for Week Ended Sept. 9 Was Less Than 1%, Or 0.4% Ahead of Corresponding 1960 Week

Intecity truck tonnage in the week ended Sept. 9, was less than 1%—or 0.4% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc. announced.

However, truck tonnage during the holiday week was 16.3% below that of the previous week of this year. The week-to-week decrease approximated that found in previous years for the week containing Labor Day.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for last week showed increased tonnage from a year ago at 19 localities. Fifteen points reflected tonnage decreases from the 1960 level. Charlotte, New Orleans, and Salt Lake City had the largest year-to-year gains—up 22.9, 16.6 and 14.6%, respectively. Truck terminals at two centers showed decreases of 10% or more.

Wholesale Commodity Price Index At New High for Year

After dipping early last week, the general wholesale commodity price level climbed to a new peak last Thursday, fell off slightly the following day but rebounded to a record high for the year this Monday. Quoted considerably higher in price were rye, oats and steel scrap. Despite the over-all rise during the week, however, lower prices at wholesale were registered for several commodities: corn, flour, lard, hogs, wool, rubber, and tin.

The Daily Wholesale Commodity Price Index rose to 274.97 (1930-32 = 100) on Monday, Sept. 18, up from 274.36 on the similar day last week and appreciably higher than a year ago when it stood at 267.13.

Wholesale Food Price Index Moves Up and Matches Year Ago

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., rose slightly for the second consecutive week and equaled the 1960 level for the similar period. On Sept. 19, the Index edged up 0.3% to $5.99 from $5.97 in the preceding week and matched the $5.99 in the comparable week a year ago.

Increases in price at wholesale were noted this week for rye, hams, butter, cottonseed oil, raisins, steers and hogs. On the other hand, prices dipped lower for wheat, oats, bellies, lard, sugar, cocoa and potatoes.

Weather Cuts Consumer Buying For Week Ended Sept. 13

Retail purchases slipped in the week ended Wednesday, Sept. 13, hampered by heat in the East and Mid-West and the hurricane Carla in the South West. With these two weather hazards, volume dropped below year-ago levels. Sharp ups and downs prevailed in apparel buying, with back-to-school wear hitting a lull in some areas but gathering strength on the Pacific Coast. Interest in linens held even, while sales of men's wear, autos, hardware, and most home furnishings continued down.

The total dollar volume of retail trade in the week ended this Wednesday ranged from even to 4% lower than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1960 levels by the following percentages: Pacific +1 to +5; West North Central and Mountain —1 to +3; East South Central —2 to +2; East North Central 0 to —4; New England and South Atlantic —1 to —5; West South Central —2 to —6; and Middle Atlantic —3 to —7.

Nationwide Department Store Sales Were 1% Lower Than The 1960 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Sept. 9, 1961, were 1% less than the like period last year. For the week ended Sept. 2, sales were up 5% over last year. The four-week period ended Sept. 9, 1961, sales advanced 3% over last year.

According to the Federal Reserve System, department store sales in New York City for the week ended Sept. 9 were 3% higher than the same period last year. In the preceding week ended Sept. 2, sales were 3% higher than the same period last year. For the four weeks ending Sept. 9, a 7% increase was reported above the 1960 period, while from Jan. 1 to Sept. 9, a 5% increase over sales in the comparable period of 1960, was recorded.

To Form Levin & Bishop

Levin & Bishop, members of the New York Stock Exchange, will be formed as of Oct. 2 with offices at 15 Broad Street, New York City. Partners will be I. Victor Levin, member of the Exchange, and Edward Bishop.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated steel operations (per cent capacity)	Sept. 23	69.5	69.5	69.1	54.2
Equivalent to—					
Steel ingots and castings (net tons)	Sept. 23	2,032,000	2,032,000	2,020,000	1,545,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Sept. 8	7,161,660	7,050,910	7,045,360	6,846,760
Crude runs to stills—daily average (bbls.)	Sept. 8	8,437,000	8,564,000	8,437,000	8,271,000
Gasoline output (bbls.)	Sept. 8	30,272,000	30,648,000	30,061,000	30,004,000
Kerosene output (bbls.)	Sept. 8	2,965,000	2,566,000	2,595,000	2,783,000
Distillate fuel oil output (bbls.)	Sept. 8	13,654,000	13,768,000	13,726,000	12,943,000
Residual fuel oil output (bbls.)	Sept. 8	5,796,000	5,660,000	5,469,000	6,250,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Sept. 8	191,207,000	190,280,000	192,098,000	188,886,000
Kerosene (bbls.) at	Sept. 8	35,529,000	34,061,000	32,123,000	34,521,000
Distillate fuel oil (bbls.) at	Sept. 8	157,562,000	152,269,000	137,927,000	159,108,000
Residual fuel oil (bbls.) at	Sept. 8	49,632,000	49,306,000	50,005,000	47,793,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Sept. 9	512,726	599,349	591,062	480,065
Revenue freight received from connections (no. of cars)	Sept. 9	465,522	502,588	483,758	444,326
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:					
Total U. S. construction	Sept. 14	$523,300,000	$268,900,000	$479,000,000	$423,300,000
Private construction	Sept. 14	254,200,000	118,800,000	253,200,000	178,200,000
Public construction	Sept. 14	269,100,000	150,100,000	225,800,000	245,100,000
State and municipal	Sept. 14	240,700,000	124,800,000	194,800,000	215,200,000
Federal	Sept. 14	28,400,000	25,300,000	31,000,000	29,900,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Sept. 9	7,120,000	*8,285,000	8,220,000	6,490,000
Pennsylvania anthracite (tons)	Sept. 9	300,000	390,000	347,000	299,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100	Sept. 9	129	*154	131	130
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Sept. 16	15,869,000	15,838,000	15,665,000	14,298,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Sept. 14	292	275	366	305
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Sept. 8	6.196c	6.196c	6.196c	6.196c
Pig iron (per gross ton)	Sept. 8	$66.44	$66.44	$66.44	$66.41
Scrap steel (per gross ton)	Sept. 8	$39.50	$39.17	$37.83	$31.83
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Sept. 13	30.600c	30.600c	30.600c	32.600c
Export refinery at	Sept. 13	28.300c	28.550c	28.000c	28.575c
Lead (New York) at	Sept. 13	11.000c	11.000c	11.000c	12.000c
Lead (St. Louis) at	Sept. 13	10.800c	10.800c	10.800c	11.800c
‡Zinc (delivered) at	Sept. 13	12.000c	12.000c	12.000c	13.500c
Zinc (East St. Louis) at	Sept. 13	11.500c	11.500c	11.500c	13.000c
Aluminum (primary pig, 99.5%) at	Sept. 13	26.000c	26.000c	26.000c	26.000c
Straits tin (New York) at	Sept. 13	121.500c	121.500c	118.500c	102.625c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Sept. 19	87.08	86.88	86.40	89.80
Average corporate	Sept. 19	85.59	85.46	85.59	87.72
Aaa	Sept. 19	89.51	89.37	89.64	92.20
Aa	Sept. 19	87.59	87.59	87.72	90.06
A	Sept. 19	84.68	84.43	84.81	86.91
Baa	Sept. 19	80.81	80.81	80.81	82.03
Railroad Group	Sept. 19	82.90	82.77	83.15	84.94
Public Utilities Group	Sept. 19	86.51	86.51	86.38	88.81
Industrials Group	Sept. 19	87.32	87.18	87.45	89.23
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Sept. 19	3.96	3.98	4.04	3.54
Average corporate	Sept. 19	4.74	4.75	4.74	4.58
Aaa	Sept. 19	4.45	4.46	4.44	4.26
Aa	Sept. 19	4.59	4.59	4.58	4.41
A	Sept. 19	4.81	4.83	4.80	4.64
Baa	Sept. 19	5.12	5.12	5.12	5.02
Railroad Group	Sept. 19	4.95	4.96	4.93	4.79
Public Utilities Group	Sept. 19	4.67	4.67	4.68	4.50
Industrials Group	Sept. 19	4.61	4.62	4.60	4.47
MOODY'S COMMODITY INDEX	Sept. 19	377.5	378.1	378.3	362.4
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Sept. 9	286,818	342,341	333,959	246,054
Production (tons)	Sept. 9	261,790	337,806	332,332	237,708
Percentage of activity	Sept. 9	76	96	94	70
Unfilled orders (tons) at end of period	Sept. 9	549,084	521,301	518,944	416,175
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Sept. 15	114.04	114.31	114.46	109.60
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Aug. 25	2,608,230	2,661,120	2,636,440	2,200,970
Short sales	Aug. 25	415,140	455,000	508,100	409,800
Other sales	Aug. 25	2,117,050	2,117,030	2,280,610	1,801,530
Total sales	Aug. 25	2,532,190	2,572,030	2,788,710	2,211,330
Other transactions initiated off the floor—					
Total purchases	Aug. 25	537,280	454,630	246,500	442,320
Short sales	Aug. 25	55,560	64,230	25,200	61,030
Other sales	Aug. 25	480,800	437,160	253,100	368,200
Total sales	Aug. 25	536,360	501,390	278,300	429,230
Other transactions initiated on the floor—					
Total purchases	Aug. 25	953,271	1,030,296	892,738	759,635
Short sales	Aug. 25	84,400	102,100	153,140	118,000
Other sales	Aug. 25	779,032	868,691	957,094	744,058
Total sales	Aug. 25	863,432	970,791	1,110,234	862,058
Total round-lot transactions for account of members—					
Total purchases	Aug. 25	4,098,781	4,146,046	3,775,678	3,402,925
Short sales	Aug. 25	555,100	621,330	686,440	588,830
Other sales	Aug. 25	3,376,882	3,422,881	3,490,804	2,913,788
Total sales	Aug. 25	3,931,982	4,044,211	4,177,244	3,502,618
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Aug. 25	1,707,933	1,766,538	1,942,780	1,571,970
Dollar value	Aug. 25	$93,434,082	$92,783,139	$99,854,436	$76,099,644
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—customers total sales	Aug. 25	1,879,502	1,871,939	1,650,227	1,582,633
Customers' short sales	Aug. 25	11,279	9,690	12,302	8,572
Customers' other sales	Aug. 25	1,868,223	1,862,249	1,637,925	1,574,061
Dollar value	Aug. 25	$95,671,971	$94,895,650	$83,931,142	$72,733,287
Round-lot sales by dealers—					
Number of shares—Total sales	Aug. 25	660,350	622,970	436,910	521,060
Short sales	Aug. 25	------	------	------	------
Other sales	Aug. 25	660,350	622,970	436,910	521,060
Round-lot purchases by dealers—Number of shares	Aug. 25	453,010	536,930	730,760	508,060
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	Aug. 25	739,380	760,700	878,090	858,170
Other sales	Aug. 25	17,479,470	18,061,440	17,225,830	14,908,310
Total sales	Aug. 25	18,218,850	18,822,140	18,103,920	15,766,480
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	Sept. 12	118.7	118.7	119.0	119.4
Farm products	Sept. 12	87.4	*86.9	88.2	87.3
Processed foods	Sept. 12	107.9	*108.2	108.3	108.4
Meats	Sept. 12	95.1	*95.7	95.1	96.4
All commodities other than farm and foods	Sept. 12	127.3	127.4	127.4	128.3

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:			
Steel ingots and steel for castings produced (net tons)—Month of July	8,090,000	8,551,856	6,350,924
Shipments of steel products (net tons)—Month of July	5,120,808	6,133,519	4,710,565
BANKERS' DOLLAR ACCEPTANCES OUTSTANDING — FEDERAL RESERVE BANK OF NEW YORK—As of August 31:			
Imports	$429,244,000	$414,951,000	$406,682,000
Exports	964,046,000	925,778,000	593,999,000
Domestic shipments	22,981,000	22,914,000	16,029,000
Domestic warehouse credits	169,168,000	163,051,000	67,438,000
Dollar exchange	48,789,000	45,229,000	179,085,000
Based on goods stored and shipped between foreign countries	765,474,000	728,914,000	392,542,000
Total	$2,399,702,000	$2,300,837,000	$1,655,955,000
BUILDING PERMIT VALUATION — DUN & BRADSTREET, INC.—217 CITIES—Month of July:			
New England	$26,226,342	$36,607,297	$33,404,718
Middle Atlantic	232,506,291	158,099,596	134,547,151
South Atlantic	47,387,396	75,174,117	42,567,363
East Central	111,941,988	161,364,658	129,138,363
South Central	109,676,025	114,229,143	135,019,183
West Central	43,063,303	76,380,120	41,311,434
Mountain	27,801,574	33,250,001	28,690,117
Pacific	125,845,971	138,936,905	102,378,815
Total United States	$724,447,890	$794,041,837	$647,057,144
New York City	178,733,711	115,105,254	95,810,511
Total outside New York City	$545,714,179	$678,936,583	$551,246,633
BUSINESS INVENTORIES — DEPT. OF COMMERCE NEW SERIES — Month of July (Millions of dollars):			
Manufacturing	$53,300	$53,600	$54,400
Wholesale	13,300	*13,300	12,900
Retail	24,500	24,600	26,100
Total	$91,000	*$91,500	$92,400
CONSUMER PRICE INDEX — 1947-49 = 100— Month of July:			
All items	128.1	127.6	126.4
Food	122.0	120.9	120.6
Food at home	119.0	117.8	117.9
Cereal and bakery products	139.4	139.7	137.5
Meats, poultry and fish	107.8	107.4	110.8
Dairy products	118.0	117.3	115.8
Fruits and vegetables	138.2	135.4	134.4
Other food at home	107.9	106.0	104.8
Food away from home (Jan. 1953=100)	121.6	121.2	118.9
Housing	132.4	132.4	131.3
Rent	143.6	143.5	141.8
Gas and electricity	125.6	126.3	124.8
Solid fuels and fuel oil	135.9	135.6	132.9
Housefurnishings	103.6	103.9	104.1
Household operation	139.1	138.9	137.4
Apparel	109.9	109.6	109.1
Men's and boys'	111.5	111.4	110.2
Women's and girls'	100.0	99.4	99.4
Footwear	141.0	140.8	139.8
Other apparel	92.9	92.6	93.1
Transportation	148.3	147.7	145.9
Private	135.9	135.3	134.2
Public	208.5	207.3	200.3
Medical care	161.2	160.9	156.4
Personal care	134.3	133.9	133.4
Reading and recreation	124.1	123.5	121.6
Other goods and services	133.6	133.1	132.2
COPPER INSTITUTE—For month of August:			
Copper production in U. S. A.—			
Crude (tons of 2,000 pounds)	95,365	*100,995	99,415
Refined (tons of 2,000 pounds)	143,967	128,447	157,382
Delivered to fabricators—			
In U.S.A. (tons of 2,000 pounds)	121,484	*113,444	105,417
Refined copper stocks at end of period (tons of 2,000 pounds)	95,177	*82,843	97,379
FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE ESTIMATE — U. S. DEPT. OF LABOR—Month of August:			
Weekly earnings—			
All manufacturing	$93.83	$94.00	$90.35
Durable goods	101.66	*101.15	97.20
Nondurable goods	84.56	*84.74	81.77
Hours—			
All manufacturing	40.1	40.0	39.8
Durable goods	40.5	*40.3	40.0
Nondurable goods	39.7	*39.6	39.5
Hourly earnings—			
All manufacturing	$2.34	$2.35	$2.27
Durable goods	2.51	2.51	2.43
Nondurable goods	2.13	2.14	2.07
MANUFACTURERS' INVENTORIES & SALES—Month of July (millions of dollars):			
Inventories—			
Durables	$30,300	*$30,490	$31,750
Nondurables	22,970	*23,100	22,660
Total	$53,260	*$53,590	$54,400
Sales	28,450	*32,280	27,890
MOTOR VEHICLE FACTORY SALES FROM PLANTS IN U. S. AUTOMOBILE MANUFACTURERS' ASSN.—Month of August:			
Total number of vehicles	266,073	------	372,095
Number of passenger cars	195,748	------	307,455
Number of motor trucks	70,099	------	64,335
Number of motor coaches	226	------	305
NEW CAPITAL ISSUES IN GREAT BRITAIN MIDLAND BANK LTD.—Month of August	£36,032,000	£108,929,000	£23,841,000
RUBBER MANUFACTURING ASSOCIATION, INC.—Month of July:			
Passenger & Motorcycle Tires (Number of)—			
Shipments	8,495,992	10,387,736	8,915,365
Production	7,835,558	8,802,870	8,679,590
Inventory	20,525,421	21,157,037	22,096,743
Tractor Implement Tires (Number of)—			
Shipments	261,056	327,258	271,274
Production	240,948	282,483	240,206
Inventory	909,260	915,322	919,196
Passenger, Motorcycle, Truck & Bus Inner-Tubes (Number of)—			
Shipments	3,045,758	3,328,408	3,439,572
Production	2,732,551	2,838,141	3,260,909
Inventory	8,640,666	8,947,584	10,626,612
Tread Rubber (Camelback)—			
Shipments (pounds)	38,396,000	*41,835,000	36,049,000
Production (pounds)	40,511,000	*42,321,000	36,681,000
Inventory (pounds)	17,899,000	*16,448,000	25,799,000
Truck and Bus Tires (Number of)—			
Shipments	1,101,793	1,321,216	1,197,276
Production	1,046,397	*1,116,377	1,108,238
Inventory	3,573,008	*3,643,245	4,011,113

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE — Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

A. & E. Plastik Pak Co., Inc.
Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). **Price** — $7.50. **Proceeds** — For equipment and working capital. **Office**—652 Mateo Street, Los Angeles. **Underwriters**—Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

★ **AFCO Land Co.**
Aug. 29, 1961 ("Reg. A") 12,000 shares of 6% cumulative preferred. **Price**—At par ($25). **Business**—Dealers in real and personal property. **Office**—Hoge Bldg., Seattle 4, Wash. **Underwriter**—None.

AMT Corp.
Sept. 11, 1961 filed 230,000 common, of which 160,000 are to be offered by the company and 70,000 by a stockholder. **Price**—By amendment. **Business**—The manufacturer of scale model plastic automobiles distributed in kit form. **Proceeds**—For equipment, repayment of loans, and working capital. **Office**—1225 E. Maple Rd., Troy, Mich. **Underwriter**—A. G. Becker & Co., Chicago (mgr.).

● **Abby Vending Manufacturing Corp.**
July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The manufacture of coin operated vending machines. **Proceeds**—For moving expenses, an acquisition and working capital. **Office**—79 Clifton Place, Brooklyn, N. Y. **Underwriter** — L. H. Wright & Co., Inc., 135 Broadway, N. Y. **Offering**—Imminent.

★ **Acc Trophies Corp.**
Sept. 18, 1961 filed 200,000 common. **Price**—$1. **Business**—The design, manufacture and sale of trophies, plaques and cups for sporting events. **Proceeds** — For production expenses, printing, promotion, inventory and working capital. **Office**—1510 Broadway, Brooklyn, N. Y. **Underwriter**—Ezra Kureen Co., N. Y.

Acratex Chemical Coatings, Inc.
Aug. 8, 1961 ("Reg. A") 99,900 common. **Price**—$3. **Business**—The manufacture of a wallcovering product. **Proceeds** — For expansion and general corporate purposes. **Office**—Easton St., Ronkonkoma, N. Y. **Underwriter**—Tyche Securities Inc., N. Y.

Acro Electronic Products Co.
July 17, 1961 filed 100,000 class A common shares. **Price**—$4. **Business**—The manufacture of transformers for electronic and electrical equipment. **Proceeds**—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. **Office**—369 Shurs Lane, Philadelphia. **Underwriter**—Roth & Co., Inc., Philadelphia.

● **A-Drive Auto Leasing System, Inc.**
Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. **Price**—$10 per share. **Business**—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. **Proceeds**—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks. **Office**—1616 Northern Boulevard, Manhasset, N. Y. **Underwriter**—Hill, Darlington & Grimm, N. Y. C. (mgr.)

Adrian Steel Co.
Sept. 8, 1961 ("Reg. A") 100,000 common. **Price**—$2.50. **Business**—Automotive fabricating. **Proceeds**—To establish a new industrial air conditioner division. **Office**—Adrian, Mich. **Underwriter**—Morrison & Frumin, Inc., Detroit.

● **Advanced Electronics Corp. (9/27)**
May 31, 1961 ("Reg. A") 150,000 class A shares (par 10 cents). **Price**—$2. **Business**—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. **Proceeds**—For research and development, equipment, repayment of loans and working capital. **Office**—2 Commercial St., Hicksville, N. Y. **Underwriter** — Edward Hindley & Co., and Hardy & Hardy, N. Y. C.

Advanced Investment Management Corp.
July 11, 1961 ("Reg. A") 100,000 common shares (par 25 cents). **Price**—$3. **Proceeds**—For purchase of furniture, reserves and working capital. **Office** — No. 15 Village Shopping Center, Little Rock, Ark. **Underwriter**—Affiliated Underwriters, Inc., 1321 Lincoln Ave., Little Rock.

Aero-Dynamics Corp.
Aug. 7, 1961 filed 100,000 common shares. **Price**—$5. **Business** — The importation and distribution of Italian marble and mosaic tiles. **Proceeds** — For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. **Office**—250 Goffle Road, Hawthorne, N. J. **Underwriters**—Cambridge Securities, Inc. and Edward Lewis Co., Inc., N. Y.

Aero Fidelity Acceptance Corp. (10/9)
July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). **Price**—$3. **Proceeds**—For repayment of loans, purchase of notes and equipment. **Office** — 185 Walton Ave., N. W., Atlanta, Ga. **Underwriters** — T. Michael McDarby & Co., Inc., and J. Morris Anderson & Associates, Inc., both of Washington, D. C.

Aero Space Electronics, Inc.
July 17, 1961 ("Reg. A") 80,000 capital shares (par 10 cents). **Price**—$3. **Proceeds**—For repayment of debt and working capital. **Office**—2036 Broadway, Santa Monica, Calif. **Underwriter**—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Aerological Research, Inc.
Aug. 29, 1961 filed 100,000 common. **Price**—$3.50 **Business** — The manufacture of instruments for aerology, meterology, oceanography, geophysics and atmospheric phenomenon. **Proceeds**—For working capital. **Office**—420 Division St., Long Branch, N. J. **Underwriter**—A. D. Gilhart & Co., Inc., N. Y.

● **Air Master Corp. (10/23)**
May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture and sale of aluminum storm windows and doors, and other aluminum products. **Proceeds**—For working capital, and other corporate purposes. **Office**—20th Street, and Allegheny Avenue, Philadelphia, Pa. **Underwriter**—Francis I. du Pont & Co., New York City (managing).

Airbalance, Inc.
July 17, 1961 ("Reg. A") 60,000 common shares (par five cents). **Price** — $5. **Office** — 2046 E. Lehigh Ave., Philadelphia. **Underwriter**—A. Sussel Co., 1033 Chestnut St., Philadelphia.

Airtronics International Corp. of Florida
June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and 89,000 shares by stockholders. **Price**—By amendment. **Business** — The manufacture of electronic, mechanical and components. **Proceeds**—For repayment of loans, ex- and electro-mechanical rocket and missile system parts pansion and working capital. **Office**—6900 West Road 84, Fort Lauderdale, Fla. **Underwriters** — Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc. (mgr.). **Offering**—Expected in late October.

Aksman (L. J.) & Co., Inc.
July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price**—$3. **Business**—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. **Proceeds**—For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. **Office**—1425 Utica Avenue, Brooklyn 3, N. Y. **Underwriters**—Rothenberg, Heller & Co., Inc. and Carroll Co., New York.

Alaska Honolulu Co.
July 24, 1961 filed 1,600,000 common shares and oil leases on 400,000 acres to be offered in 625 units each consisting of 640 acres and 2,560 shares. **Price**—$2,560 per unit. **Business**—The exploration and development of oil and gas properties in Alaska. **Proceeds**—For general corporate purposes. **Office**—120 S. Third St., Las Vegas, Nev. **Underwriter**—None.

Albert Voigt Industries, Inc.
Aug. 29, 1961 filed 80,000 common. **Price**—$4. **Business**—The manufacture of metal store fixtures, show cases and related items. **Proceeds**—For repayment of loans, working capital, a leasehold improvement and moving expenses. **Office**—14-20 Dunham Pl., Brooklyn, N. Y. **Underwriter**—David Barnes & Co., Inc., N. Y. C.

All-American Airways, Inc. (10/2-6)
Aug. 24, 1961 ("Reg. A") 75,000 common. **Price**—$4. **Proceeds**—For the purchase of aircraft, inventory, advertising and working capital. **Office**—2 Main St., Ridgefield, Conn. **Underwriter**—Edward Lewis Co., Inc., N. Y.

● **All Star World Wide, Inc.**
July 7, 1961 filed $250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. **Price**—For debentures, at par; for stock, $5. **Business**—Joint venture with Brunswick Corp. to establish and operate bowling centers in Europe. Proceeds—For expansion and general corporate purposes. **Office**—100 W. Tenth St., Wilmington, Del. **Underwriters**—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing). **Offering**—Expected about mid-October.

Allen Organ Co.
Aug. 30, 1961 filed 140,000 class B (non-voting) common, of which 37,000 shares are to be offered by the company and 103,000 by the stockholders. **Price**—By amendment. **Business**—The manufacture of electronic organs. **Proceeds**—For repayment of a loan, redemption of outstanding preferred, working capital and expansion. **Address**—Macungie, Pa. **Underwriters**—Drexel & Co., Philadelphia, and Warren W. York & Co., Allentown, Pa. (mgrs.)

Allied Research Associates, Inc.
Sept. 8, 1961 filed $812,500 of 5% subordinated notes due 1966 and 487,500 common to be offered for public sale in units, each consisting of a $25 note and 15 shares. **Price**—$40 per unit. **Business**—Research, development and instrumentation in a variety of scientific fields. **Proceeds**—For the repayment of debt and working capital. **Office**—43 Leon St., Boston. **Underwriter**—Smith, Barney & Co. Inc., N. Y.

Continued on page 44

Textilfoam, Inc. Common Offered

Public offering of 115,000 common shares of Textilfoam, Inc. at $5 per share is being made today (Sept. 21), by Flomenhaft, Seidler & Co., Inc., New York City and associates.

Of the total 100,000 are being sold for the company and 15,000 for three officers and directors of the company, each of whom will continue to hold 51,500 shares, or 16.3% of the outstanding stock.

Net proceeds from the sale of its 100,000 shares, will be used by the company for the expansion of its foam lamination and related facilities, including a new plant and equipment for the finishing and chemical treatment of fabric. The balance of the proceeds will be added to working capital and used for general corporate purposes.

The company with headquarters in Clifton, N. J., is engaged in the laminating of Polyester Foam (a synthetic foam) to various types of fabric which are used by others in a wide variety of consumer products, principally apparel. Fabrics are supplied by its customers. The company also performs other processing operations related to laminating for its customers. Customers of the company include textile mills, converters, jobbers and finishers.

Bankers Dispatch Common Offered

Public offering of 100,000 common shares of Bankers Dispatch Corp., at $10 per share is being made by E. F. Hutton & Co. Inc., New York City. Net proceeds from the sale will go to the selling stockholders and no portion will be received by the company.

The company, of 4652 S. Kedzie Avenue, Chicago, through its wholly - owned subsidiaries is primarily engaged in the transportation of commercial papers, documents and non-negotiable instruments for banks. This service is performed for over 1,300 banks and branches in 11 states and the Province of Ontario. The company also owns 43% of the outstanding stock of a commercial bank in Chicago.

Davis, Pearson Branch

MOBILE, Ala.—Davis, Pearson & Perkins, Inc. has opened a branch office at 2480 Government Boulevard under the direction of Robert B. Herrington.

First Midwest Branch

KANSAS CITY, Kans.—First Midwest Corporation, has opened a branch office at 917 Minnesota Avenue under the management of Forrest E. Lagle.

With Rutner, Jackson

SAN BERNARDINO, Calif.—Rex M. Burback has become affiliated with Rutner, Jackson & Gray, Inc., 157 West Fifth Street. He was previously with Mitchum, Jones & Templeton.

Continued from page 43

• Allied Stores Corp. (9/22)
Aug. 4, 1961 filed $27,006,200 of convertible subordinated debentures due Oct. 1, 1981 to be offered for subscription by stockholders on the basis of $100 of debentures for each ten shares held. **Price**—By amendment. **Business**—The operation of department stores. **Proceeds**—For general corporate purposes. **Office**—401 Fifth Ave., N. Y. **Underwriter**—Lehman Brothers, N. Y. (mgr.)

Alpine Geophysical Associates, Inc. (10/23-27)
July 28, 1961 filed 150,000 common shares. **Price** — By amendment. **Business** — The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. **Proceeds**—For repayment of debt and general corporate purposes. **Office**—55 Oak St., Norwood, N. J. **Underwriter**—S. D. Fuller & Co., New York (managing).

Alson Mfg. Co.
Aug. 28, 1961 ("Reg. A") 75,000 common. **Price**—$4. **Proceeds**—For equipment, repayment of loans and working capital. **Office**—2690 N. E. 191st St., Miami, Fla. **Underwriter**—Albion Securities Co., Inc., N. Y.

Amcrete Corp.
May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business** — The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. **Proceeds**—For building test pools; advertising, inventory and working capital. **Office**—102 Mamaroneck Ave., Mamaroneck, N. Y. **Underwriter**—Vincent Associates, Ltd., 217 Broadway, N. Y.

Amerel Mining Co. Ltd.
July 31, 1961 filed 400,000 common shares. **Price**—50 cents. **Business**—The company is engaged in exploration, development and mining. **Proceeds**—For diamond drilling, construction, exploration and general corporate expenses. **Office**—80 Richmond St., W., Toronto. **Underwriter**—E. A. Manning, Ltd., Toronto.

• Amerford International Corp.
June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$3.50. **Business**—International air and ocean freight forwarding. **Proceeds**—For expansion, advertising and working capital. **Office**—80 Wall St., New York. **Underwriters** — V. S. Wickett & Co., Inc., and Thomas, Williams & Lee, Inc., New York.

American Automatic Vending Corp.
Aug. 15, 1961 filed 270,000 common shares. **Price**—By amendment. **Business**—The sale of merchandise through vending machines. **Proceeds**—For the repayment of debt and other corporate purposes. **Office** — 7501 Carnegie Ave., Cleveland, O. **Underwriter** — McDonald & Co., Cleveland.

• American Automatic Vending Corp.
Aug. 15, 1961 filed 270,000 common. **Price**—By amendment. **Business**—The manufacture of vending machines. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—7501 Carnegie Ave., Cleveland, O. **Underwriter**—McDonald & Co., Cleveland.

• American Data Machines, Inc.
Aug. 17, 1961 filed 150,000 common shares. **Price**—$4.50. **Business**—The manufacture of data processing equipment. **Proceeds**—For repayment of loans, new products, advertising, engineering, new machine tools, working capital and general corporate purposes. **Office**—7 Commercial St., Hicksville, N. Y. **Underwriters**—Amos Treat & Co., Inc. and Golkin Bomback & Co., N. Y. C. (mgr.).

★ American Distilling Co.
Sept. 14, 1961 filed $9,551,900 of subordinated debentures due Nov. 1, 1986 (convertible until 1971) to be offered for subscription by common stockholders on the basis of $100 of debentures for each 10 shares held. **Price**—By amendment. **Business**—The distilling and marketing of alcoholic beverages including bourbon, whiskies, vodkas and gins. **Proceeds** — For the prepayment of debt, and working capital. **Office**—150 E. 42nd St., N. Y. **Underwriter**—Blyth & Co., Inc., N. Y.

• American Electronic Laboratories, Inc.
May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. **Price**—To be supplied by amendment. **Business**—The company is engaged in research and development in the field of electronic communication equipment. **Proceeds**—For construction, new equipment, and other corporate purposes. **Office**—121 North Seventh Street, Philadelphia. **Underwriter**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa. **Offering**—Imminent.

• American Finance Co., Inc.
April 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one $200 debenture, 30 common shares and 10 warrants. **Price**—$500 per unit. **Business**—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. **Proceeds**—For the retirement of debentures, and capital funds. **Office** — 1472 Broadway, New York City. **Underwriter**—Lomasney, Loving & Co., New York City. **Offering**—Expected mid-October.

★ American & Foreign Power Co., Inc.
Sept. 18, 1961 filed 240,000 common. **Price**—By amendment. **Proceeds** — For the selling stockholder, Electric Bond & Share Co. **Office**—100 Church Street, N. Y. **Underwriters**—Lazard Freres & Co., and First Boston Corp., New York.

American Heritage Publishing Co., Inc. (10/17)
Aug. 18, 1961 filed 140,000 common shares, of which 75,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—By amendment. **Business**—Magazine and book publishing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—551 Fifth Ave., New York. **Underwriter**—White, Weld & Co., New York (managing).

American Micro Devices, Inc.
Aug. 2, 1961 filed 1,500,000 class A common shares. **Price** — $1.15. **Business**—The manufacture of electronic components. **Proceeds**—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis.

American Packing Co.
June 29, 1961 filed 150,000 common shares. **Price**—$4.50. **Business**—The processing and sale of canned salmon. **Proceeds**—For general corporate purposes. **Office**—303 N. E. Northlake Way, Seattle. **Underwriter** — Joseph Nadler & Co., Inc., New York (managing).

• American Precision Industries, Inc. (10/2-6)
Aug. 18, 1961 filed 158,000 common shares, of which 115,000 shares are to be offered by the company and 38,000 shares by stockholders. **Price**—By amendment. **Business**—The machining and fabrication of components and assemblies from steel, aluminum and certain alloys and other metals. **Proceeds**—For a new plant and equipment, research and development, repayment of debt and working capital. **Office**—3901 Union Rd., Buffalo. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

American Realty Trust
July 25, 1961 filed 500,000 shares of beneficial interests. **Price**—$10. **Business**—A real estate investment company. **Office**—608 Thirteenth St., N. W., Washington, D. C. **Underwriter**—Stifel, Nicolaus & Co., Inc., St. Louis.

American Self Service Stores, Inc.
Aug. 11, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The operation of self-service shoe stores. **Proceeds**—For repayment of loans and expansion. **Office**—1908 Washington Avenue, St. Louis. **Underwriter**—Scherck, Richter Co., St. Louis.

American Sports Plan, Inc.
June 29, 1961 filed 200,000 common shares. **Price**—$6. **Business**—The operation of bowling centers. **Proceeds**—For expansion. **Office**—473 Winter Street, Waltham, Mass. **Underwriter**—None.

American Technical Machinery Corp.
Aug. 29, 1961 filed 95,000 common, of which 65,000 are to be offered by the company and 30,000 by stockholders. **Price** — By amendment. **Business** — The manufacture of machinery for fabrication of twisted wire brushes. **Proceeds**—For equipment, repayment of loans and working capital. **Office**—29-31 Elm Ave., Mt. Vernon, N. Y. **Underwriter**—M. L. Lee & Co., Inc., N. Y. C. (mgr.).

American Variety Stores, Inc.
Aug. 30, 1961 filed 100,000 common. **Price**—$4.50. **Business**—The operation of retail discount variety stores. **Proceeds** — For repayment of loans, equipment, and working capital. **Office** — Cleveland at Passaic, Fort Myers, Fla. **Underwriter** — Netherlands Securities Co., Inc., N. Y. (mgr.).

Amity Corp.
Jan. 17, 1961 filed 88,739 shares of common stock (par $1). **Price**—$3 per share. **Business**—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. **Proceeds**—For general corporate purposes, including $170,000 for construction and $12,000 for debt reduction. **Office**—Equitable Building, Baltimore, Md. **Underwriter**—Karen Securities Corp., New York City. **Note**—This statement is expected to be refiled.

Amphicar Corp. of America
June 15, 1961 filed 100,000 common shares. **Price**—$5. **Business**—The manufacture of amphibious automobiles. **Proceeds**—To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. **Office**—660 Madison Ave., New York. **Underwriter**—J. J. Krieger & Co., New York.

• Anderson New England Capital Corp.
July 21, 1961 filed 400,000 common shares. **Price** — By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—150 Causeway Street, Boston. **Underwriter**—Putnam & Co., Hartford, Conn. (mgr.). **Offering**—Expected in late Oct.

Animal Insurance Co. of America (9/25)
June 29, 1961 filed 40,000 common shares. **Price**—$15.50. **Business** — The insuring of animals, primarily race horses, trotters and pacers. **Proceeds**—For expansion and general corporate purposes. **Office**—92 Liberty St., New York. **Underwriter**—Bernard M. Kahn & Co., Inc., New York (managing).

• Anodyne, Inc.
June 20, 1961 filed $625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of $100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. **Price** — $100 per unit. **Proceeds** — For expansion and working capital. **Office**—1270 N. W. 165th St., North Miami Beach, Fla. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., New York.

• Apache Realty Corp. (9/25-29)
March 31, 1961 filed 1,000 units in the First Apache Realty Program. **Price**—$5,000 per unit. **Business**—The Program plans to engage in the real estate business, with emphasis on the acquisition, development and operation of shopping centers, office buildings and industrial properties. **Proceeds** — For investment. **Office** — 523 Marquette Ave., Minneapolis, Minn. **Underwriter**—Blunt Ellis & Simmons, Chicago (managing).

Apex Thermoplastics, Inc.
Aug. 29, 1961 filed 150,000 common. **Price**—$2.40. **Business**—The manufacture of thermoplastic compounds for resale to other manufacturers. **Proceeds**—For equipment, sales and advertising and working capital. **Office**—395 Smith St., Brooklyn, N. Y. **Underwriter**—Continental Bond & Shares Corp., Maplewood, N. J.

Aqua-Lectric, Inc.
June 19, 1961 filed 1,000,000 common shares. **Price**—$1.15. **Business**—The marketing of an electric hot water heating system. **Proceeds**—For inventory, salaries, advertising and promotion, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—M. H. Bishop & Co., Minneapolis. **Offering**—Expected sometime in October.

Architectural Marble Co.
Aug. 28, 1961 filed 100,000 common. **Price**—$3.50. **Business**—The cutting, designing, polishing and installing of marble products. **Proceeds**—For plant expansion, inventory and working capital. **Office**—4425 N. E. Sixth Terrace, Oakland Park, Ft. Lauderdale, Fla. **Underwriter**—J. J. Bruno & Co., Inc., Pittsburgh.

Arista Truck Renting Corp.
Aug. 2, 1961 filed 100,000 common shares. **Price**—$5. **Business**—The renting of trucks in the New York City area. **Proceeds** — For repayment of loans, purchase of equipment, working capital and general corporate purposes. **Office**—285 Bond St., Brooklyn, N. Y. **Underwriter**—None.

Arizona Color Film Processing Laboratories, Inc.
March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. **Price**—22 cents per share. **Business**—The processing of black and white and color film. **Proceeds**—To repay loans and for working capital. **Office**—2 North 30th Street, Phoenix, Ariz. **Underwriter**—None.

Associated Products, Inc. (10/23-27)
Aug. 25, 1961 filed 359,000 common, of which 175,000 are to be offered by the company and 184,000 by stockholders. **Price**—$17. **Business**—The manufacture of dog and cat food, cosmetics, drug items and toiletries. **Proceeds**—For repayment of loans and working capital. **Office**—445 Park Ave., N. Y. C. **Underwriters**—Allen & Co., N. Y. C. and A. C. Allyn & Co., Chicago (co-mgrs.).

Astrodata, Inc.
Aug. 28, 1961 filed 825,000 shares of capital stock, of which 200,000 will be offered for public sale and 625,000 will be offered for subscription by stockholders of Epsco, Inc., parent, on the basis of one new share for each Epsco share held. **Price**—By amendment. **Business**—The manufacture of electronic data handling equipment, range timing devices and standard electronic products. **Proceeds**—For repayment of loans and working capital. **Office** — 240 E. Palais Rd., Anaheim, Calif. **Underwriters**—Granbery, Marache & Co., N. Y. C. and William R. Staats & Co., Los Angeles.

Atlantic Capital Corp.
Aug. 29, 1961 filed 500,000 common. **Price**—$12.50. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—744 Broad St., Newark, N. J. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y. C. **Offering**—Expected in late October.

Atlantic Improvement Corp. (10/16-20)
Aug. 30, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The development of residential communities. **Proceeds**—Repayment of a loan and construction, general corporate purposes. **Office**—521 Fifth Ave., N. Y. **Underwriters**—Bear, Stearns & Co., and Finkle & Co., N. Y. (mgrs.).

Atmospheric Controls, Inc.
Aug. 22, 1961 ("Reg. A") 40,000 common. **Price**—$3.50. **Proceeds** — For repayment of loans, acquisition and working capital. **Office**—715 N. Fayette St., Alexandria, Va. **Underwriter**—First Investment Planning Co., Washington, D. C.

Atmotron, Inc.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For general corporate purposes. **Office**—5209 Hanson Court, Minneapolis. **Underwriter**—J. P. Penn & Co., Inc., Minneapolis.

Authenticolor Inc.
Aug. 29, 1961 filed 148,200 common, of which 136,800 are to be offered by the company and 11,400 by stockholders. **Price**—$3.25. **Business**—The furnishing of photographic service for the professional market. **Proceeds**—For working capital and repayment of loans. **Office**—525 Lexington Ave., N. Y. C. **Underwriter** — General Economics Corp., N. Y. C.

• Automata International, Inc.
Aug. 22, 1961 ("Reg. A") 300,000 common. **Price** — $1. **Proceeds**—For tooling, equipment and working capital. **Office** — 241 S. Robertson Blvd., Beverly Hills, Calif. **Underwriter** — Pacific Coast Securities Co., San Fran. **Offering**—Expected in mid-October.

Automated Building Components, Inc. (10/2-6)
July 28, 1961 filed 100,000 common shares. **Price** — By amendment. **Business**—The manufacture of metal connector plates used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7525 N. W. 37th Avenue, Miami. **Underwriters** — Winslow, Cohu & Stetson; Laird, Bissell & Meeds, N. Y. C. (co-mgrs.).

Automated Gift Plan, Inc.
June 12, 1961 ("Reg. A") 100,000 common shares (par 10c). **Price**—$3. **Business**—The manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. **Proceeds**—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. **Office**—80 Park Ave., New York. **Underwriter**—J. Laurence & Co., Inc., New York.

Automated Sports Centers, Inc. (10/2-6)
June 28, 1961 filed 1,750 units, each consisting of one $400 principal amount debenture (with attached warrants) and 120 common. **Price**—$1,000 per unit. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, acquisition of a warehouse and working capital. **Office** — 11459 E. Imperial Hwy., Norfolk, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles. **Note**—The company formerly was named Union Leagues, Inc.

Avemco Finance Corp.
Aug. 15, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. **Proceeds**—For the repayment of debt. **Office**—8645 Colesville, Rd., Silver Spring, Md. **Underwriters**—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

● **Babcock Electronics Corp. (10/2-6)**
Aug. 11, 1961 filed 300,000 capital shares, of which 50,000 shares are to be offered by the company and 250,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic units for remote control of aircraft. **Proceeds** — For repayment of loans, working capital and general corporate purposes. **Office**—1640 Monrovia Avenue, Costa Mesa, Calif. **Underwriters**—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

Bargain Town, U. S. A., Inc. (9/25)
July 27, 1961 filed 300,000 common shares, of which 200,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—$6. **Business**—The operation of discount department stores. **Proceeds**—For the repayment of debt, and working capital. **Office**—Rockaway Turnpike, North Lawrence, L. I., N. Y. **Underwriter**—Schweickart & Co., New York (managing).

Barry-Martin Pharmaceuticals, Inc.
Aug. 25, 1961 ("Reg. A") 150,000 class A common. **Price**—$2. **Proceeds**—For packaging, advertising, repayment of loans and working capital. **Office** — 4621 Ponce de Leon Blvd., Coral Gables, Fla. **Underwriter** — Edward Hindley & Co., N. Y. C.

★ **Baton Rouge Water Works Co.**
Sept. 1, 1961 ("Reg. A") 8,269 common (no par) to be offered for subscription by stockholders for 15 days with the unsubscribed shares to be sold to the public in the State of Louisiana. **Price**—$13. **Office**—131 Lafayette St., Baton Rouge. **Underwriter**—None.

● **Beam-Matic Hospital Supply, Inc. (10/9-13)**
July 21, 1961 filed 100,000 common shares. **Price**—$3. **Business**—The manufacture of hospital equipment and supplies. **Proceeds**—For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. **Office**—25-11 49th Street, Long Island City, N. Y. **Underwriter**—First Weber Securities Corp., New York.

Bell Television, Inc.
Aug. 29, 1961 ("Reg. A") 100,000 common. **Price**—$3. **Business**—The manufacture of television antenna, music and sound equipment and closed circuit television systems. **Proceeds**—For an acquisition, expansion and inventory. **Office**—552 W. 53rd St., New York 19, N. Y. **Underwriter**—Netherlands Securities Co., N. Y.

★ **Berkshire Distributors, Inc.**
Sept. 14, 1961 filed 100,000 common, of which 60,000 will be sold for the company and 40,000 for certain stockholders. **Price**—By amendment. **Business**—The operation of eight discount type department stores in four states. **Proceeds**—For the repayment of debt, and working capital. **Office**—203 Ann St., Hartford, Conn. **Underwriter**—May & Gannon, Boston.

Bin-Dicator Co.
Aug. 25, 1961 filed 160,932 common. **Price**—By amendment. **Business**—The manufacture of automatic control devices for handling bulk granular or pulverized materials. **Proceeds**—For the selling stockholders. **Office**—17190 Denver, Detroit. **Underwriter**—Smith, Hague & Co., Detroit.

● **Binney & Smith, Inc.**
Sept. 8, 1961 filed 171,038 common. **Price**—By amendment. **Business**—The manufacture of educational art materials. **Proceeds**—For the selling stockholders. **Office**—380 Madison Ave., N. Y. C. **Underwriter**—Lee Higginson Corp., N. Y. (mgr.). **Offering**—Expected in early November.

● **Black & Decker Manufacturing Corp. (10/2-6)**
Aug. 11, 1961 filed 120,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of power tools. **Proceeds**—For the selling stockholder. **Office**—Towson, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

Bloch Brothers Tobacco Co.
July 3, 1961 ("Reg. A") 4,000 common shares (par $12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland.

Bloomfield Building Industries, Inc. (10/9-13)
June 29, 1961 filed 300,000 class A common shares. **Price**—$5. **Proceeds**—For advances to a subsidiary, purchase of additional land and the construction of buildings

Continued on page 46

NEW ISSUE CALENDAR

September 22 (Friday)

Allied Stores Corp. ---- Debentures
(Offering to stockholders—underwritten by Lehman Bros.) $27,006,200

Harn Corp. ---- Common
(J. R. Williston and Beane) 150,000 shares

Mite Corp. ---- Capital
(Kidder, Peabody & Co. and Charles W. Scranton & Co.) 325,000 shares

Second Financial, Inc. ---- Common
(Globus Inc.) $300,000

September 25 (Monday)

Animal Insurance Co. of America ---- Common
(Bernard M. Kahn & Co., Inc.) $620,000

Apache Realty Corp. ---- Units
(Blunt Ellis & Simmons) $5,000,000

Bargain Town, U. S. A., Inc. ---- Common
(Schweickart & Co.) $1,800,000

Bradley Industries, Inc. ---- Common
(D. E. Liederman & Co., Inc.) $350,000

Charles Jacquin et Cie, Inc. ---- Common
(Stroud & Co., Inc.) 140,000 shares

Charter Industries, Inc. ---- Common
(Standard Securities Corp.) $400,000

Consolidated Production Corp. ---- Common
(Shearson, Hammill & Co.) 200,000 shares

Custom Shell Homes, Inc. ---- Common
(T. J. McDonald & Co.) $300,000

Data Management, Inc. ---- Common
(M. H. Bishop & Co.) $3,913,035

General Spray Service, Inc. ---- Units
(Ross, Lyon & Co., Inc.) $315,000

Glickman Corp. ---- Common
(Bache & Co. and Hirsch & Co.) 600,000 shares

Greene (M. J.) Co. ---- Common
(Hess, Grant & Remington Inc.) $300,000

Hexagon Laboratories, Inc. ---- Units
(Stearns & Co.) $900,000

Lewis & Clark Marina, Inc. ---- Common
(Apache Corp.) $300,000

Missile-Tronics Corp. ---- Common
(Hopkins, Calamari & Co., Inc.) $227,850

Movie Star, Inc. ---- Class A
(Milton D. Blauner & Co., Inc.) 200,000 shares

Olson Co. of Sarasota, Inc. ---- Common
(Jay Morton & Co., Inc.) $295,000

Plasticon Corp. ---- Common
(No underwriting) $1,996,998

Playskool Manufacturing Co. ---- Common
(Lehman Brothers) 135,000 shares

Raymond Engineering Laboratory, Inc. ---- Common
(Lee Higginson Corp.) 100,000 shares

Southern Realty & Utilities Corp. ---- Units
(Hirsch & Co. and Lee Higginson Corp.) 6,280 units

Spectron, Inc. ---- Common
(Hampstead Investing Corp.) $381,875

Terry Industries, Inc. ---- Common
(Greenfield & Co., Inc.) 1,728,337 shares

Tor Education, Inc. ---- Capital
(F. L. Rossman & Co.) 100,000 shares

Transvision Electronics, Inc. ---- Common
(Adams & Peck) 140,000 Shares

Tri Metal Works, Inc. ---- Common
(Offering to stockholders—underwritten by R. L. Scheinman & Co.) 68,000 shares

United Scientific Laboratories, Inc. ---- Common
(Continental Bond & Share Corp.) $720,000

Universal Surgical Supply Inc. ---- Common
(Dempsey-Tegeler & Co., Inc.) 200,000 shares

Valley Title & Trust Co. ---- Common
(Louis R. Dreyling & Co.) $600,000

Voron Electronics Corp. ---- Class A
(John Joshua & Co., Inc. and Reuben Rose & Co.) $300,000

Water Industries Capital Corp. ---- Common
(Hornblower & Weeks) $8,250,000

Woodard Research Corp. ---- Common
(First Investment Planning Co.) $160,000

September 26 (Tuesday)

Clarise Sportswear Co., Inc. ---- Common
(Alessandrini & Co. and Hardy & Hardy) $625,000

Drug & Food Capital Corp. ---- Common
(A. C. Allyn & Co. and Westheimer & Co.) $5,000,000

Fairfield Controls, Inc. ---- Common
(First Philadelphia Corp. and Lieberbaum & Co.) $150,000

Hilco Homes Corp. ---- Units
(Rambo, Close & Kerner, Inc.) 6,500 units

King's Office Supplies & Equipment, Inc. ---- Com.
(Pacific Coast Securities Co.) $130,000

Pacific Gas & Electric Co. ---- Bonds
(Bids 11:30 a. m. EDST) $60,000,000

Photographic Assistance Corp. ---- Common
(Globus, Inc. and Harold C. Shore & Co.) $150,000

Wainrite Stores, Inc. ---- Common
(Omega Securities Corp.) $300,000

September 27 (Wednesday)

Advanced Electronics Corp. ---- Class A
(Edward Hindley & Co.) $300,000

Electro-Temp Systems, Inc. ---- Common
(Planned Investing Corp. and Bayes, Rose & Co., Inc.) $300,000

Fotochrome Inc. ---- Debentures
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.) $3,500,000

Holly Stores, Inc. ---- Common
(Allen & Co.) 175,000 shares

Intercontinental Dynamics Corp. ---- Common
(M. H. Woodhill Inc.) $300,000

Liverpool Industries, Inc. ---- Common
(Arden Perin & Co., Inc.) $304,950

Universal Moulded Fiber Glass Corp. ---- Common
(A. G. Edwards & Sons) $2,750,000

Valve Corp. of America ---- Common
(Lomasney, Loving & Co.) $1,120,000

September 28 (Thursday)

Creative Playthings, Inc. ---- Common
(A. G. Becker & Co., Inc. and Semple, Jacobs & Co., Inc.) 100,000 shares

Jergens (Andrew) Co. ---- Common
(Hornblower & Weeks) 250,002 shares

Lee Filter Corp. ---- Capital
(Omega Securities Corp.) $9,671.50

Missouri Fidelity Life Insurance Co. ---- Common
(A. C. Allyn & Co.) 200,000 shares

Seeburg Corp. ---- Common
(Offering to stockholders—underwritten by White, Weld & Co.) 303,812 shares

September 29 (Friday)

Electro-Tec Corp. ---- Common
(Harriman Ripley & Co., Inc.) 91,000 shares

Techno-Vending Corp. ---- Common
(International Services Corp.) $300,000

October 2 (Monday)

All-American Airways, Inc. ---- Common
(Edward Lewis Co., Inc.) $300,000

American Precision Industries, Inc. ---- Common
(Eastman Dillon, Union Securities & Co.) 158,000 shares

Automated Building Components, Inc. ---- Common
(Winslow, Cohu & Stetson and Laird, Bissell & Meeds) 100,000 shares

Automated Sports Centers, Inc. ---- Units
(Holton, Henderson & Co.) $1,750,000

Babcock Electronics Corp. ---- Capital
(Blyth & Co. and Schwabacher & Co.) 300,000 shares

Black & Decker Manufacturing Corp. ---- Common
(Eastman Dillon, Union Securities & Co.) 120,000 shares

Caressa, Inc. ---- Common
(Shearson, Hammill & Co.) 150,000 shares

Challenger Products, Inc. ---- Common
(No underwriting) $625,000

Cle-Ware Industries, Inc. ---- Common
(Westheimer & Co.) 195,000 shares

Commonwealth Theatres of Puerto Rico, Inc. ---- Com.
(J. R. Williston & Beane) $1,000,000

Dressen-Barnes Electronics Corp. ---- Capital
(Lester, Ryons & Co.) 100,000 shares

Electro-Miniatures Corp. ---- Common
(Burnham & Co.) $300,000

Fotochrome Inc. ---- Common
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.) 262,500 shares

Globe Rubber Products Corp. ---- Common
(Kidder, Peabody & Co.) 175,000 shares

Hampton Sales Co., Inc. ---- Common
(Godfrey, Hamilton, Magnus & Co., Inc.) $105,000

Hannett Industries, Inc. ---- Common
(Albion Securities Co., Inc.) $300,000

Ivest Fund, Inc. ---- Common
(Ivest, Inc.) 150,000 shares

Kaufman & Broad Building Co. ---- Common
(Bache & Co.) 174,500 shares

Lewis (Tillie) Foods, Inc. ---- Common
(Van Alstyne, Noel & Co.) 400,000 shares

Long Island Bowling Enterprises, Inc. ---- Common
(Trinity Securities Corp.) $300,000

Lowe's Companies, Inc. ---- Common
(G. H. Walker & Co., Inc.) 388,250 shares

Medco, Inc. ---- Common
(Barret, Fitch, North & Co., Inc. and Midland Securities Co., Inc.) 125,000 shares

Midwest Technical Development Corp. ---- Common
(Lee Higginson Corp. and Piper, Jaffray & Hopwood) 800,000 shares

National Cleaning Contractors, Inc. ---- Common
(Bear, Stearns & Co.) 200,000 shares

National Semiconductor Corp. ---- Capital Stock
(Lee Higginson Corp.) 75,000 shares

New Era Mining Co. ---- Common
(Bullock Securities Co.) $400,000

Old Empire, Inc. ---- Debentures
(Laird, Bissell & Meeds) $800,000

Osrow Products Co., Inc. ---- Common
(General Securities Co., Inc.) $300,000

Panoramic Electronics, Inc. ---- Common
(Hayden, Stone & Co.) 120,000 shares

Pioneer Astro Industries, Inc. ---- Common
(Francis I. du Pont & Co.) 150,000 shares

Product Research of R. I., Inc. ---- Common
(Continental Bond & Share Corp.) $676,500

Public Service Co. of Colorado ---- Bonds
(Bids 11:30 a. m. EDST) $30,000,000

Riverview ASC, Inc. ---- Common
(Albion Securities Co., Inc.) $300,000

Semicon, Inc. ---- Common
(S. D. Fuller & Co.) 125,000 shares

Shasta Minerals & Chemical Co. ---- Common
(No underwriting) $1,250,000

Sterling Electronics, Inc. ---- Common
(S. D. Fuller & Co.) 125,200 shares

Technifoam Corp. ---- Common
(Stearns & Co.) $880,000

TelePrompTer Corp. ---- Debentures
(Bear, Stearns & Co.) $5,000,000

Theil Publication, Inc. ---- Common
(Carter, Berlind, Potoma & Weill) $330,000

Universal Publishing & Distributing Corp. ---- Units
(Allen & Co.) $750,000

Vic Tanny Enterprises, Inc. ---- Common
(S. D. Fuller & Co.) 320,000 shares

Zep Aero ---- Common
(Francis J. Mitchell & Co., Inc.) 50,000 shares

October 3 (Tuesday)

California Growth Capital, Inc. ---- Common
(H. M. Byllesby & Co. and Birr & Co., Inc.) $2,500,000

Diversified Wire & Steel Corp. of America ---- Cl. A
(V. K. Osborne & Sons, Inc.) $400,000

Gulf States Utilities Co. ---- Debentures
(Bids 11 a. m.) $15,000,000

Northern Indiana Public Service Co. ---- Debentures
(Offering to stockholders—Bids 11 a. m. CDST) $20,253,300

October 9 (Monday)

Aero Fidelity Acceptance Corp. ---- Common
(T. Michael McDarby & Co., Inc., & J. Morris Anderson & Associates, Inc.) $300,000

Beam-Matic Hospital Supply, Inc. ---- Common
(First Weber Securities Corp.) $300,000

Bloomfield Building Industries, Inc. ---- Common
(Lieberbaum & Co.) $1,500,000

Caldor, Inc. ---- Common
(Ira Haupt & Co.) $600,000

Churchill Stereo Corp. ---- Units
(Lieberbaum & Co.) $321,300

Fashion Homes Inc. ---- Units
(Globus, Inc., and Ross, Lyon & Co., Inc.) $1,000,000

Fashion Homes Inc. ---- Common
(Globus, Inc., and Ross, Lyon & Co., Inc.) $244,800

First Union Realty ---- Ben. Ints.
(Harriman Ripley & Co. and Hayden, Miller & Co.) 1,060,000 shares

Girder Process, Inc. ---- Common
(Winslow, Cohu & Stetson) $422,000

Growth, Inc. ---- Common
(Mann & Creesy) $300,000

Continued on page 46

Continued from page 45

Hoffman International Corp.____________Debentures
(Offering to stockholders underwritten by J. R. Williston & Beane) $1,890,700

Longs Drug Stores, Inc.____________Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 190,000 shares

Mobile Estates, Inc.____________Common
(Harry Odzer Co.) $840,000

Mortgage Guaranty Insurance Co.____________Common
(Bache & Co.) 155,000 shares

October 10 (Tuesday)

Glenn Pacific Corp.____________Common
(Birr & Co., Inc.) $400,000

Interstate Fire & Casualty Co.____________Common
(White, Weld & Co.) 100,000 shares

Photo-Animation, Inc. ____________Common
(First Philadelphia Corp.) $187,500

Southern Railway Co.____________Equip. Trust Ctfs.
(Bids—12 noon EDST) $4,600,000

Southwestern Research & Development Co.___Com.
(Wilson, Johnson & Higgins) $6,000,000

World Wide Bowling Enterprises, Inc.____Common
(Fraser & Co.) $520,000

October 13 (Friday)

Columbia Research Group____________Preferred
(No underwriting) $5,000,000

October 16 (Monday)

Atlantic Improvement Corp.____________Common
(Bear, Stearns & Co. and Finkle & Co.) 150,000 shares

Cellomatic Battery Corp.____________Common
(Armstrong & Co. Inc.) $250,000

Cosnat Record Distributing Corp.____________Common
(Amos Treat & Co.) 150,000 shares

Dunlap & Associates, Inc.____________Common
(Dominick & Dominick) 75,000 shares

Electra-Tronics, Inc.____________Common
(Jay Morton & Co., Inc.) $180,000

FMC Corp. ____________Debentures
(Kidder, Peabody & Co.) $30,000,000

First National Realty & Construction Corp.__Debs.
(H. Hentz & Co.) $3,000,000

Growth Properties ____________Common
(Pacific Coast Securities Co.) 100,000 shares

Keller Corp. ____________Debentures
(Casper Rogers & Co., Inc.) $1,200,000

Lincoln Fund, Inc.____________Common
(Horizon Management Corp.) 951,799 shares

Marshall Industries ____________Common
(Offering to stockholders—underwritten by William R. Staats & Co. and Shearson, Hammill & Co.) 131,305 shares

National Bowling Lanes, Inc.____________Capital
(Edward Lewis Co., Inc.) $1,100,000

National Hospital Supply Co.____________Common
(Edward Lewis Co., Inc. and Underhill Securities Corp.) $300,000

Nuclear Corp. of America____________Capital
(Bear, Stearns & Co.) 536,290 shares

Nuclear Corp. of America____________Debentures
(Bear, Stearns & Co.) $2,087,800

Pavelle Corp____________Common
(Bear, Stearns & Co.) 200,000 shares

Precision Microwave Corp.____________Common
(Peter Morgan & Co.) $1,650,000

Ro Ko, Inc.____________Common
(Midland Securities Co., Inc. and George K. Baum & Co.) $600,000

Rodney Metals, Inc.____________Common
(Amos Treat & Co. Inc.) $1,400,000

Sav-Mor Oil Corp.____________Common
(Armstrong & Co. Inc.) $230,000

Star Industries, Inc.____________Class A
(H. Hentz & Co.) 415,576 shares

Supronics Corp.____________Common
(Amos Treat & Co. Inc.; Standard Securities Corp. and Bruno-Lenchner Inc.) 90,000 shares

October 17 (Tuesday)

American Heritage Publishing Co., Inc.__Common
(White, Weld & Co.) 140,000 shares

Northern Natural Gas Co.____________Common
(Offering to stockholders—underwritten by Blyth & Co.) 430,000 shares

Public Service Electric & Gas Co.______Debentures
(Bids 11 a.m. EDST) $50,000,000

October 18 (Wednesday)

Dynamic Toy, Inc.____________Common
(Hancock Securities Corp.) $243,000

Georgia Power Co.____________Preferred
(Bids 11 a. m. EDST) $7,000,000

Georgia Power Co.____________Bonds
(Bids noon EDST) $10,000,000

Jayark Films Corp.____________Common
(Pacific Coast Securities Co.) 72,000 shares

Wisconsin Natural Gas Co.____________Bonds
(Bids to be received) $4,000,000

October 19 (Thursday)

Union Rock & Materials Corp.____________Common
(William R. Staats & Co.) 160,000 shares

October 23 (Monday)

Air Master Corp.____________Common
(Francis I. du Pont & Co.) 200,000 shares

Alpine Geophysical Associates, Inc.______Common
(S. D. Fuller & Co.) 150,000 shares

Associated Products, Inc.____________Common
(Allen & Co. and A. C. Allyn & Co.) $6,103,000

Executive House, Inc.____________Units
(Bear, Stearns & Co. and Straus, Blosser & McDowell Co.) 200,000 units

Ihnen (Edward H.) & Son, Inc.____________Common
(Amos Treat & Co. Inc.) $375,000

Marlene Industries Corp.____________Common
(Bernard M. Kahn & Co., Inc.) $1,575,000

Thermo-Chem Corp. ____________Common
(Best & Garey Co., Inc.) $585,000

Transcontinental Investing Corp.______Debentures
(Lee Higginson Corp.) $10,000,000

Wonderbowl, Inc.____________Common
(Standard Securities Corp.) $300,000

October 24 (Tuesday)

Niagara Mohawk Power Co.____________Bonds
(Bids to be received) $40,000,000

Niagara Mohawk Power Co.____________Common
(Bids to be received) 700,000 shares

October 25 (Wednesday)

Natpac Inc. ____________Common
(William, David & Motti, Inc.) $475,000

New England Power Co.____________Bonds
(Bids 11 a. m. EDST) $20,000,000

Pickwick International, Inc.____________Common
(William, David & Motti, Inc.) $300,000

October 26 (Thursday)

Middle Atlantic Credit Corp.____________Units
(R. L. Scheinman & Co. and A. W. Benkert & Co., Inc.) $300,000

Middle Atlantic Investment Co.____________Common
(Best & Garey Co., Inc.) $700,000

October 30 (Monday)

First Western Financial Corp.____________Common
(A. C. Allyn & Co.) 450,000 shares

Handschy Chemical Co.____________Common
(Blunt Ellis & Simmons) 150,000 shares

October 31 (Tuesday)

Chicago, Burlington & Quincy___Equip. Trust Ctfs.
(Bids to be received) $2,700,000

November 1 (Wednesday)

Idaho Power Co.____________Common
(Bids to be received) 200,000 shares

Idaho Power Co.____________Bonds
(Bids to be received) $10,000,000

November 2 (Thursday)

Kent Dry Cleaners, Inc.____________Common
(Arnold Malkan & Co., Inc.) $825,000

Pittsburgh Steel Co.____________Common
(Offering to stockholders—underwritten by Kuhn, Loeb & Co., Inc.) 1,110,617 shares

November 6 (Monday)

Lusk Corp. ____________Units
(Burnham & Co.) 50 units

Trans-Lux Corp. ____________Common
(Bear, Stearns & Co.) 250,000 shares

November 13 (Monday)

Realtone Electronics Corp.____________Common
(Lieberbaum & Co.) $400,000

Royal Land & Development Corp.________Common
(Lieberbaum & Co.) $2,000,000

November 14 (Tuesday)

Rochester Gas & Electric Corp.____________Bonds
(Bids 11 a. m. EST) $15,000,000

Southern Railway Co.__________Equip. Trust Ctfs.
(Bids to be received) $4,000,000

Wisconsin Michigan Power Co.____________Bonds
(Bids to be received) $4,000,000

November 15 (Wednesday)

Dallas Power & Light Co.____________Preferred
(Bids 11 a. m. EST) $10,000,000

Pacific Northwest Bell Telephone Co.__Debentures
(Bids to be received) $50,000,000

November 21 (Tuesday)

Consolidated Edison Co. of New York, Inc._Bonds
(Bids 11 a. m. EDT) $50,000,000

December 5 (Tuesday)

Virginia Electric & Power Co.____________Bonds
(Bids to be received) $15,000,000

March 5, 1962 (Monday)

West Penn Power Co.____________Bonds
(Bids to be received) $25,000,000

Continued from page 45

thereon. **Office** — 3355 Poplar Ave., Memphis, Tenn. **Underwriter**—Lieberbaum & Co., New York.

• Boro Electronics, Inc.
Aug. 30, 1961 ("Reg. A") 100,000 common. **Price**—$3. **Business**—The distribution of electronic products manufactured by others. **Proceeds**—For inventory, equipment, advertising, promotion, working capital and repayment of loans. **Office**—69-18 Roosevelt Ave., Woodside, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., N. Y. **Offering**—Expected in early November.

Bowl-Tronics, Inc.
Aug. 16, 1961 ("Reg. A") 100,000 common shares. **Price**—$2.30. **Business**—The company plans to develop electronic calculators for the sports industry to record changing data. **Proceeds** — For working capital and expansion. **Office**—1319 F St., N. W., Washington, D. C **Underwriters**—Fund Securities, Inc., Staten Island, N. Y. and Burry, de Sibour & Co., Washington, D. C.

Bowling Internazionale, Ltd.
June 30, 1961 filed 200,000 common shares. **Price**—$5. **Proceeds**—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion and working capital. **Office**—80 Wall St., New York. **Underwriters**—V. S. Wickett & Co., and Thomas, William, & Lee, Inc., New York City.

• Bradley Industries, Inc. (9/25-29)
July 25, 1961 filed 70,000 common shares (par $1). **Price**—$5. **Business**—The manufacture of plastic boxes and containers. **Proceeds**—For repayment of loans, purchase of additional molds, acquisition of a new plant, working capital and general corporate purposes. **Office**—1650 N. Damen Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., New York.

• Brinktun, Inc.
July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). **Price**—$2.25. **Proceeds**—Repayment of loans and working capital. **Office**—710 N. Fourth Street, Minneapolis. **Underwriter** — McDonald, Anderson, Peterson & Co., Inc., Minneapolis. **Offering**—Imminent.

• Bronzini, Ltd.
Aug. 23, 1961 filed 125,000 common. **Price**—$6. **Business**—The manufacture of men's wear accessories. **Proceeds**—For redemption of the 10% preferred stock, repayment of a loan, expansion and working capital. **Office**—720 Fifth Ave., N. Y. **Underwriter**—A. J. Gabriel & Co., Inc., N. Y. **Offering**—Expected late October.

Buffums'
Aug. 7, 1961 filed 40,000 common shares. **Price** — By amendment. **Business** — The operation of department stores in Southern California. **Proceeds** — For general corporate purposes. **Office** — Pine at Broadway, Long Beach, Calif. **Underwriter** — Lester, Ryons & Co., Los Angeles.

Bundy Electronics Corp.
Aug. 22, 1961 filed 100,000 common shares. **Price**—$4. **Business**—The design, development and manufacture of electronic components for space and earth communications. **Proceeds**—For moving expenses, repayment of debt and working capital. **Office**—171 Fabyan Place, Newark. **Underwriters** — Bruno-Lenchner, Inc., Pittsburgh and Harry Odzer Co., New York (co-managing).

Burns (William J.) International Detective Agency, Inc.
Aug. 22, 1961 filed 175,000 class A common shares. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—101 Park Ave., New York. **Underwriter**—Smith, Barney & Co., Inc., New York (managing).

Caldor, Inc. (10/9-13)
July 27, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The operation of retail discount stores. **Proceeds**—For expansion and working capital. **Office**—69 Jefferson St., Stamford, Conn. **Underwriter**—Ira Haupt & Co., New York (managing).

• California Growth Capital Inc. (10/3)
July 18, 1961 filed 200,000 common shares. **Price**—$12.50. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—111 Sutter St., San Francisco, Calif. **Underwriters**—H. M. Byllesby & Co., Inc., Chicago and Birr & Co., Inc., San Francisco.

California Real Estate Investors
Aug. 17, 1961 filed 1,000,000 shares of beneficial interest. **Price**—$10. **Business**—Real estate investment. **Office**—12014 Wilshire Blvd., Los Angeles. **Underwriter**—Harnack, Gardner & Co., (same address) (managing).

Camp Chemical Co., Inc.
Aug. 25, 1961 filed 110,000 capital shares. **Price**—$3. **Business**—The manufacture of sanitation chemicals. **Proceeds**—For advertising, additional sales personnel, inventories and accounts receivable. **Office**—Second Ave., and 13th St., Brooklyn, N. Y. **Underwriter**—Russell & Saxe, Inc., N. Y. C.

Carboline Co.
Aug. 4, 1961 filed 100,000 common shares, of which 35,000 shares are to be offered by the company and 65,000 shares by stockholders. **Price**—$5. **Business**—The manufacture of synthetic linings and coatings for industrial use. **Proceeds** — For repayment of loans, research and working capital. **Office**—32 Hanley Industrial Court, St. Louis. **Underwriter**—Reinholdt & Gardner, St. Louis.

• Card Key Systems, Inc.
July 28, 1961 ("Reg. A") 60,000 common shares (no par). **Price** — $5. **Proceeds** — For research and development, advertising equipment and working capital. **Office**—923 S. San Fernando Boulevard, Burbank, Calif. **Underwriter** — Rutner, Jackson & Gray, Inc., Los Angeles. **Offering**—Expected in mid-October.

• Caressa, Inc. (10/2-6)
Aug. 2, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of women's shoes. **Proceeds**—The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. **Office**—5300 N. W. 37th Ave., Miami, Fla. **Underwriter** — Shearson, Hammill & Co., New York (managing).

Casavan Industries, Inc.
Aug. 21, 1961 filed 275,000 capital shares. **Price** — By amendment. **Business**—The production and importation of marble and vitreous mosaic products used in the building construction field. **Proceeds** — For equipment, inventory, leasehold improvements, construction, repayment of loans and general corporate purposes. **Office**—250 Vreeland Ave., Paterson, N. J. **Underwriter**—None.

Catamount, Inc.
Aug. 23, 1961 ("Reg. A") $30,000 of debentures due Sept. 1, 1976, to be offered in units of $500. **Price** — At par. **Proceeds**—For operation of a ski resort. **Address**—Egremont, Mass. **Underwriter** — Kennedy & Peterson, Inc., Hartford, Conn.

Cellomatic Battery Corp. (10/16)
June 20, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price** — $2.50. **Proceeds** — For repayment of debt, inventory and working capital. **Office**—300 Delaware Avenue, Archbald, Pa. **Underwriter**—Armstrong & Co., Inc., New York.

• Cerro Corp.
Aug. 24, 1961 filed 350,000 common. **Price**—By amendment. **Business**—The mining, refining and smelting of nonferrous metals in Peru and the production of copper wire, brass and bronze rods, aluminum sheet and coils in the U. S. **Proceeds**—For general corporate purposes. **Office**—300 Park Ave., N. Y. C. **Underwriters**—Morgan

Stanley & Co., and Smith, Barney & Co., Inc., N. Y. C. **Offering**—Expected in late October.

● Challenger Products, Inc. (10/2)
June 30, 1961 filed 125,000 common shares. **Price**—$5. **Proceeds**—For the repayment of debt, purchase of new equipment, and working capital. **Office**—2934 Smallman St., Pittsburgh, Pa. **Underwriter**—To be named.

Charles Jacquin et Cie, Inc. (9/25-29)
July 7, 1961 filed 140,000 common shares of which 20,000 shares are to be offered by the company and 120,000 shares by stockholders. **Price**—By amendment. **Business**—The production of cordials, vodka, rum, brandy, etc. **Proceeds**—For working capital, sales promotion and advertising. **Office**—2633 Trenton Ave., Philadelphia. **Underwriter**—Stroud & Co., Inc., Philadelphia (mgr.).

● Charter Industries, Inc. (9/25-29)
June 22, 1961 filed 100,000 common shares. **Price**—$4 **Business**—The manufacture of molded plastic products. **Proceeds**—For starting up production and plant expansion. **Office**—388 Codwise Ave., New Brunswick, N. J. **Underwriter**—Standard Securities Corp., N. Y. (mgr.)

★ Chess, Inc.
Sept. 6, 1961 ("Reg. A") 45,000 common. **Price**—$1.10. **Business**—Chess promotion and the development of talent for competition. **Office**—3005 Dover Dr., Boulder, Colo. **Underwriter**—None.

Churchill Stereo Corp. (10/9-13)
July 17, 1961 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. **Price**—$3.60 per unit. **Business**—The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. **Proceeds** — For expansion, repayment of loans, working capital and other corporate purposes. **Office**—200 E. 98th Street, Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., New York (managing).

Cineque Colorfilm Laboratories, Inc.
Aug. 29, 1961 ("Reg. A") 120,000 common. **Price**—$2.50. **Business**—The production of slides and color film strips. **Proceeds**—For equipment, sales promotion and advertising. **Office**—424 E. 89th St., N. Y. **Underwriter**—Paul Eisenberg Co., N. Y.

Citizens Life Ins. Co. of New York
Sept. 8, 1961 filed 147,000 common, of which 100,000 will be sold by the company and 47,000 by a stockholder. **Price**—By amendment. **Business**—The writing of ordinary life, group life and group credit life insurance. **Proceeds**—For investment in income producing securities. **Office**—33 Maiden Lane, N. Y. **Underwriter**—A. G. Becker & Co., N. Y. (mgr.).

● Clarise Sportswear Co., Inc. (9/26-28)
July 21, 1961 filed 125,000 common shares, of which 75,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$5. **Business**—The manufacture of women's sportswear. **Proceeds**—For working capital. **Office**—141 W. 36th Street, New York. **Underwriters**—Alessandrini & Co., Inc. and Hardy & Hardy, New York (co-managing).

● Cle-Ware Industries, Inc. (10/2-6)
July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. **Price**—By amendment. **Business**—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. **Proceeds**—For repayment of loans, working capital and other corporate purposes. **Office**—10604 St. Clair Ave., Cleveland. **Underwriter**—Westheimer & Co., Cincinnati.

Clute (Francis H.) & Son, Inc.
July 3, 1961 filed 1,000,000 common shares. **Price**—$1.50. **Business** — The manufacture of farm and industrial equipment. **Proceeds**—For materials and inventory, research and development and working capital. **Office**—1303 Elm St., Rocky Ford, Colo. **Underwriter** — Stone, Altman & Co., Inc., Denver.

Cole Vending Industries, Inc.
Aug. 28, 1961 filed 115,000 common. **Price**—By amendment. **Business**—The manufacture, sale and servicing of vending machines. **Proceeds**—For working capital. **Office**—560 W. Lake St., Chciago. **Underwriter**—Straus, Blosser & McDowell, Chicago (mgr.).

Color Reproductions, Inc.
May 10, 1961 (letter of notification) 950 units of $95,000 of 6% subordinated debentures, due June 30, 1971, and 47,500 shares of common stock (par one cent) to be offered in units, each unit consisting of $100 of debentures and 50 shares of common stock. **Price**—$287.50 per unit. **Business**—The company makes color photographs and reproductions for churches, institutions, seminaries and schools. **Proceeds**—For equipment; sales promotion; repayment of loans; construction of buildings and improvements of facilities. **Office**—202 E. 44th St., N. Y. **Underwriter**—William, David & Motti, Inc., N. Y.

Columbia Research Group (10/13)
June 20, 1961 filed 5,000,000 preferred shares (par one cent). **Price**—$1. **Business**—The production of religious and educational phonograph records. **Proceeds**—For general corporate purposes. **Office**—3600 Market Street, Salt Lake City, Utah. **Underwriter**—None.

Columbian Bronze Corp.
July 13, 1961 filed 150,000 common shares. **Price**—$5 **Business**—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. **Proceeds**—For repayment of loans and expansion. **Office**—216 N. Main St., Freeport, N. Y. **Underwriter**—Lomasney, Loving & Co., New York (managing).

Combined Insurance Co. of America
Aug. 25, 1961 filed 300,000 common. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Business**—The writing of accident and health insurance. **Office**—5050 Broadway, Chicago. **Underwriter**—Smith, Barney & Co., N. Y. C. (mgr.).

Commonwealth Theatres of Puerto Rico, Inc. (10/2-6)
July 28, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$10. **Business**—The operation of a chain of theatres in Puerto Rico. **Proceeds**—For construction of a drive-in movie theatre, building renovations and general corporate purposes. **Address**—Santurce, Puerto Rico. **Underwriter**—J. R. Williston & Beane, New York (managing).

★ Computron Corp.
Sept. 15, 1961 filed 500,000 common. **Price**—$1.15. **Business**—Research, development, design and production of electronic automation devices. **Proceeds**—For equipment, research and development and working capital. **Office**—9330 James Ave., South, Minneapolis. **Underwriter**—Brandtjen & Bayliss, Inc., St. Paul, Minn.

Consolidated Chemical & Paint Corp.
Aug. 29, 1961 filed $275,000 of 6½% subordinated convertible debentures due 1968 and 68,750 common to be offered in units consisting of $100 of debentures and 25 common. **Price**—$200 per unit. **Business**—The company manufactures from oil, chemicals and pigments, diverse basic paint lines. **Proceeds**—For retirement of outstanding 6% debentures, repayment of debt and working capital. **Office**—456 Driggs Ave., Brooklyn, N. Y. **Underwriters**—Armstrong & Co., N. Y., and L. C. Wegard & Co., Trenton, N. J. **Offering**—Expected in December.

Consolidated Production Corp. (9/25-29)
May 26, 1961 filed 200,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company, which plans to change its name to Consolidated Production Corp., buys and manages fractional interests in producing oil and gas properties. **Proceeds**—For investment, and working capital. **Office**—14 North Robinson, Oklahoma City, Okla. **Underwriter** — Shearson, Hammill & Co., New York City (managing). **Note**—This company formerly was named Cador Production Corp.

Consolidated Vending Corp.
Aug. 29, 1961 filed $150,000 of 6% debentures due 1971 and 50,000 common to be offered in units each consisting of $150 of debentures and 50 common. **Price**—$400 per unit. **Business**—The operation of vending machines. **Proceeds** — For repayment of loans, new equipment and working capital. **Office** — 129 S. State St., Dover, Del. **Underwriter**—William, David & Motti, Inc., N. Y. C.

● Consumers Utilities Corp.
July 27, 1961 filed 302,000 outstanding common shares to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. **Price**—By amendment. **Business**—The acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. **Proceeds** — For the selling stockholder (Mobilife Corp.) **Office**—Sarasota, Fla. **Underwriter**—Golkin, Bomback & Co., N. Y. C. **Offering**—Expected in late September.

★ Consumers Water Co.
Aug. 29, 1961 ("Reg. A") 3,100 common. **Price**—$32.25. **Proceeds**—For the selling stockholders. **Office**—Portland, Me. **Underwriter**—H. M. Payson & Co., Portland.

● Continental Fund Distributors, Inc.
April 13, 1961 filed 296,000 common shares and 296,000 warrants for the purchase of stock of Continental Management Corp., advisor to Continental Growth Fund, Inc. The securities will be offered for public sale in units of one common share and one warrant. **Price**—$1 per unit. **Business**—The company is the sponsor of Continental Growth Fund, Inc. **Proceeds**—For expansion. **Office**—366 Fifth Ave., New York City. **Underwriter**—Niagara Investors Corp., N. Y. **Offering**—Imminent.

● Continental Leasing Corp.
June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—$3. **Proceeds**—For purchase of new automobiles, advertising and promotion, and working capital. **Office**—527 Broad St., Sewickley, Pa. **Underwriter** — H. B. Crandall Co. and Cambridge Securities, Inc., N. Y. **Offering**—Expected late October.

Continental Real Estate Investment Trust
Aug. 3, 1961 filed 300,000 shares of beneficial interest. **Price**—$10. **Business**—Real estate. **Proceeds**—For investment. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—F. Baruch & Co., Inc., Washington, D. C. (managing).

Continental Vending Machine Corp.
Aug. 11, 1961 filed $5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of $100 of debentures for each 80 common shares held. **Price**—By amendment. **Business**—The manufacturing of vending machines. **Proceeds**—For repayment of loans and working capital. **Office** — 956 Brush Hollow Road, Westbury, L. I., N. Y. **Underwriter**—Hardy & Co., New York (managing).

Control Lease Systems, Inc.
July 21, 1961 ("Reg. A") 225,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For equipment, research and development and capital expenditures. **Office**—3386 Brownlow Ave., St. Louis Park, Minn. **Underwriters**—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis.

Cook (L. L.)
Aug. 4, 1961 filed 49,736 common shares, of which 9,600 shares are to be offered by the company and 40,136 shares by stockholders. **Price**—By amendment. **Business**—The processing of photographic film, wholesaling of photographic supplies and the manufacture of post cards. **Proceeds**—For general corporate purposes. **Office**—1830 N. 16th St., Milwaukee. **Underwriter**—Milwaukee Co., Milwaukee (managing).

Cooke Engineering Co.
Sept. 12, 1961 filed 32,000 common. **Price**—$11. **Business**—The manufacture of electronic products and the furnishing of engineering services. **Proceeds**—For equipment, new products, sales promotion and working capital. **Office**—735 N. St. Asaph St., Alexandria, Va. **Underwriter**—Jones, Kreeger & Co., Washington, D. C.

Cosmetically Yours, Inc.
Aug. 23, 1961 filed 42,500 common. **Price**—$4. **Business**—The manufacture of cosmetics. **Proceeds**—For repayment of a loan, advertising, equipment, inventory, research and development and working capital. **Office**—15 Clinton St., Yonkers, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., N. Y.

● Cosmo Book Distributing Co.
July 6, 1961 filed 110,000 common shares. **Price** — $3. **Business**—The wholesale distribution of books. **Proceeds**—For repayment of a loan, inventory, working capital and general corporate purposes. **Office** — 1130 Madison Ave., Elizabeth, N. J. **Underwriter**—Frank Karasik & Co., Inc., N. Y. C. **Offering**—Imminent.

Cosnat Record Distributing Corp. (10/16-20)
May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of phonograph records. **Proceeds**—For the repayment of debt, and working caiptal. **Office**—315 W. 47th St., N. Y. **Underwriter**—Amos Treat & Co., N. Y. C. (mgr.)

Cowles Magazines & Broadcasting, Inc.
Aug. 30, 1961 filed 350,000 capital shares. **Price**—By amendment. **Business**—The publication of "Look" magazine, the sale of subscriptions to other magazines and the operation of TV and radio stations. **Proceeds**—For general corporate purposes. **Office**—488 Madison Ave., N. Y. **Underwriter**—Goldman, Sachs & Co., N. Y. C. **Offering**—Expected in late October.

★ Coyle's Voting Machine Co.
Aug. 31, 1961 ("Reg. A") 10,000 common. **Price**—$10. **Business**—The sale of punch card type voting machines. **Office**—830 High St., Hamilton, O. **Underwriter**—John A. Kemper & Co., Lima, O.

Cramer Electronics, Inc.
July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. **Price**—By amendment. **Business**—The distribution of electronic components and equipment. **Proceeds**—For repayment of loans, inventory and working capital. **Office**—811 Boylston St., Boston. **Underwriter**—Carl M. Loeb, Rhoades & Co., N. Y. (mgr.)

Crank Drug Co.
July 3, 1961 filed 130,000 common shares. **Price** — By amendment. **Business** — The operation of retail drug stores. **Proceeds**—For repayment of loans, and for expansion. **Office**—1947 E. Meadowmere St., Springfield, Mo. **Underwriter**—Reinholdt & Gardner, St. Louis (mgr.). **Offering**—Temporarily postponed.

● Creative Playthings, Inc. (9/28)
July 28, 1961 filed 100,000 common shares. **Price** — By amendment. **Business**—The manufacture of equipment and material for children. **Proceeds**—For research and development, expansion, repayment of loans and working capital. **Address**—Cranbury, N. J. **Underwriter**—A. G. Becker & Co., Inc., Chicago and Semple, Jacobs & Co., Inc., St. Louis.

Cromwell Business Machines, Inc.
Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). **Price**—$3. **Proceeds**—For repayment of loans, machinery, leasehold improvements, advertising and working capital. **Office**—7451 Coldwater Canyon Avenue, North Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Crossway Motor Hotels, Inc.
Aug. 4, 1961 filed 70,000 common shares. **Price**—$5. **Business**—The operation of a motor hotel chain. **Proceeds**—For acquisition, expansion and the repayment of debt. **Office**—54 Tarrytown Rd., White Plains, N. Y. **Underwriter**—Candee & Co., New York.

● Custom Shell Homes, Inc. (9/25-29)
May 8, 1961 (letter of notification) 120,000 shares of common stock (par 10 cents). **Price**—$2.50 per share. **Proceeds**—To erect sample homes, repay a loan, and for expansion and working capital. **Office**—412 W. Saratoga St., Baltimore, Md. **Underwriter**—T. J. McDonald & Co., Washington, D. C.

● Dadan, Inc.
June 29, 1961 ("Reg. A") 160,000 common shares (par 50 cents). **Price**—$1.15. **Business**—The manufacture of games. **Proceeds**—For repayment of loans, development of new products and working capital. **Office**—209 Wilder Bldg., Rochester 14, N. Y. **Underwriter**—McDonald, Anderson, Peterson & Co., Inc., Minneapolis. **Offering**—Imminent.

Dale Systems, Inc.
Aug. 9, 1961 filed 100,000 common shares. **Price**—$3.50. **Business**—A shopping service which checks the efficiency of retail sales employees. **Proceeds**—For expansion and general corporate purposes. **Office** — 1790 Broadway, New York. **Underwriter**—Theodore Arrin & Co., Inc., New York.

● Data Management, Inc. (9/25)
July 17, 1961 ("Reg. A") 260,869 class A common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For purchase of equipment, investments, and working capital. **Office**—1608 First National Bank Building, Minneapolis. **Underwriter**—M. H. Bishop & Co., Minneapolis.

Continued on page 48

Continued from page 47

● Datom Industries, Inc.
July 17, 1961 filed 112,500 common shares. **Price**—$4. **Business**—The manufacture of electrical products such as transistorized and conventional tube radios, portable phonographs and educational kits. **Proceeds**—For working capital and other corporate purposes. **Office**—350 Scotland Road, Orange, N. J. **Underwriter**—Robert L. Ferman & Co., Miami, Fla. (mgr.). **Offering**—Expected early October.

Delta Capital Corp.
Aug. 9, 1961 filed 500,000 common shares. **Price** — By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—610 National Bank of Commerce Building, New Orleans. **Underwriters**—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

Delta Sonics, Inc.
Aug. 3, 1961 ("Reg. A") 100,000 common shares (par $1). **Price**—$3. **Business**—The manufacture of ultrasonic and electronic systems and components. **Proceeds**—For plant and equipment; material and inventory; repayment of a loan and working capital. **Office** — 12918 Gerise Ave., Hawthorne, Calif. **Underwriter**—Haas, Lidster & Co., Los Angeles.

Dero Research & Development Corp.
Aug. 24, 1961 ("Reg. A") 54,000 common. **Price**—$2.40. **Business**—The manufacture of FM Deviation Monitors. **Proceeds**—For development, expansion, advertising and working capital. **Office** — Broadway and Park Ave., Huntington, N. Y. **Underwriter**—James Co., N. Y.

★ District Wholesale Drug Corp. of Washington
Sept. 19, 1961 filed $500,000 of 6% convertible subord. sinking fund debentures due 1976, also 100,000 class A common. **Price** — Debentures — At par. Common — $4. **Business**—The sale of drug products to retail stores in Washington, Maryland and Virginia. **Proceeds**—For the repayment of debt, and working capital. **Office**—52-60 O St., N. W., Washington, D. C. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

● Diversified Wire & Steel Corp. of America (10/3)
July 17, 1961 filed 100,000 class A common shares. **Price**—$4. **Business**—The manufacture of cold drawn steel wire, furniture springs and related products. **Proceeds**—for repayment of debt, acquisition and improvement of property, equipment, and working capital. **Office**—3525 E. 16th St., Los Angeles. **Underwriter**—V. K. Osborne & Sons, Inc., Beverly Hills, Calif. (managing).

Dressen-Barnes Electronics Corp. (10/2-6)
Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 shares are to be offered by the company and 25,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of power supplies and automatic label dispensers. **Proceeds**—For repayment of loans, and working capital. **Office**—250 N. Vinedo Street, Pasadena, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles.

● Drug & Food Capital Corp. (9/26)
July 14, 1961 filed 500,000 common shares. **Price**—$10. **Business**—A small business investment company. **Proceeds**— For investment. **Office**—30 N. La Salle St., Chicago. **Underwriters**—A. C. Allyn & Co., Chicago & Westheimer & Co., Cincinnati (managing).

Dunlap & Associates, Inc. (10/16)
June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. **Price**—By amendment. **Business**—The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. **Proceeds**—For purchase of building sites, expansion, and working capital. **Office**—429 Atlantic St., Stamford, Conn. **Underwriter**—Dominick & Dominick, New York.

Dynamic Gear Co., Inc.
June 29, 1961 filed 125,000 common shares of which 100,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price** — $3. **Business** — Manufacture of precision instrument gears. **Proceeds**—For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. **Office**—175 Dixon Avenue, Amityville, N. Y. **Underwriters**—Flomenhaf, Seidler & Co., Inc. and Lomasney, Loving & Co., New York (mgrs.). **Offering**—Sometime in October.

Dynamic Toy, Inc. (10/18)
June 30, 1961 ("Reg. A") 81,000 common shares (par 10 cents). **Price**—$3. **Business** — The manufacture of toys. **Proceeds**—For advertising, development of new products expansion and working capital. **Address**—109 Ainslie St., Brooklyn, N. Y. **Underwriter**—Hancock Securities Corp., New York.

EMAC Data Processing Corp.
Sept. 8, 1961 filed 100,000 common. **Price**—$2.50. **Business**—The company conducts an electronic data processing service. **Proceeds**—For the rental of additional data processing equipment, sales promotion, salaries, rent, furniture and working capital. **Office**—46-36 53rd Ave., Maspeth, N. Y. **Underwriter**—M. W. Janis Co., Inc., N. Y. C.

Eastern Air Devices, Inc.
June 16, 1961 filed 150,000 common shares being offered for subscription by common stockholders of Crescent Petroleum Corp., parent, on the basis of one share for each 10 Crescent shares held of record August 25 with rights to expire Sept. 15. **Price**—$5. **Business**—The manufacture of power and servo components. **Proceeds**—For the purchase of equipment and other corporate purposes. **Office**—385 Central Avenue, Dover, N. H. **Underwriters**—Sutro Bros & Co. and Gregory & Sons, New York (co-mgrs.).

Eastern Properties Improvement Corp.
Aug. 22, 1961 filed $1,500,000 of subordinated debentures due 1981 and 250,000 common shares. **Price**—For debentures, $1,000; for stock, $10. **Business**—General real estate. **Proceeds**—For the acquisition and development of real properties, repayment of debt and engineering, etc. **Office**—10 E. 40th St., New York. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia (managing). **Offering**—Expected in late October.

Electra International, Ltd.
May 5, 1961 filed 70,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The manufacture of products in the automotive ignition field for sale outside of the United States. **Proceeds** — For research, and development, and working capital. **Office**—222 Park Ave., South, New York City. **Underwriter**—Ezra Kureen Co., New York City.

Electra-Tronics, Inc. (10/16)
Aug. 14, 1961 ("Reg. A") 60,000 common (par 75c). **Price**—$3. **Business**—The company is a military subcontractor in the electronics field. **Proceeds**—For the repayment of loans, inventory, expansion and working capital. **Office**—1242 N. Palm, Sarasota, Fla. **Underwriter**—Jay Morton & Co., Inc., Sarasota.

★ Electro-Mec Instrument Corp.
Sept. 15, 1961 filed 176,480 common. **Price**—$6. **Business**—The design, manufacture and sale of potentiometers, digitometers and goniometers used in airborne computing devices. **Proceeds**—For the selling stockholder, Waltham Precision Instrument Co., Inc. **Office**—47-51 33rd St., Long Island City, N. Y. **Underwriter**—Sterling, Grace & Co., N. Y. (mgr.).

Electro-Med, Inc.
July 17, 1961 filed $540,000 of convertible subordinated debentures due 1971. **Price**—By amendment. **Business**—The manufacture of medical-electronic instruments. **Proceeds** — For working capital. **Office** — 4748 France Avenue, N. Minneapolis. **Underwriter**—Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

● Electro-Miniatures Corp. (10/2-6)
June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business** — The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. **Proceeds**—For the selling stockholders. **Office**—600 Huyler St., Hackensack, N. J. **Underwriter**—Burnham & Co., New York.

● Electro-Tec Corp.
July 28, 1961 filed 91,000 common shares (par 10 cents). **Price**—By amendment. **Business**—The manufacture of slip rings and brush block assemblies, switching devices, relays, and precious metal products. **Proceeds**—For the selling stockholders. **Office** — 10 Romanelli Ave., South Hackensack, N. J. **Underwriter**—Harriman Ripley & Co., Inc., N. Y. (mgr.). **Offering**—Indefinitely postponed.

● Electro-Temp Systems, Inc. (9/27-29)
June 30, 1961 ("Reg. A") 75,000 common shares (par one cent). **Price** $4. **Business**—The sale of refrigeration machinery and equipment. **Proceeds**—For repayment of a loan, inventory, promotion and advertising, and working capital. **Office**—150-49 Hillside Ave., Jamaica, N. Y. **Underwriters**—Planned Investing Corp., New York and Bayes, Rose & Co., Inc., 39 Broadway, New York.

Electronic International, Inc.
Sept. 1, 1961 ("Reg. A") 130,000 common. **Price**—$2. **Business**—The manufacture of precision instruments. **Proceeds**—For equipment and working capital. **Office**—176 E. 15th St., Paterson, N. J.—**Underwriter**—Theodore Arrin & Co., Inc., N. Y.

● Electronics Discovery Corp.
July 26, 1961 filed 150,000 common shares. **Price**—$1. **Business** — The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. **Proceeds**—For research and development. **Office** — 1100 Shames Dr., Westbury, L. I., N. Y. **Underwriter**—Globus, Inc., N. Y. **Offering**—Expected in late October.

● Empire Fund, Inc.
June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities. **Business**—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of $20,000 or more. **Office**—44 School Street, Boston, Mass. **Underwriter**—A. G. Becker & Co., Inc., Chicago.

● Empire Life Insurance Co. of America
March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). **Price**—$10 per share. **Proceeds**—To go to selling stockholders. **Office**—2801 W. Roosevelt Road, Little Rock, Ark. **Underwriter**—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

Empire Precision Components, Inc.
Aug. 29, 1961 ("Reg. A") 65,000 class A. **Price**—$4. **Business**—The manufacture of metal component parts for precision electronic connectors. **Proceeds**—For moving expenses, a new plant, equipment, repayment of loans and working capital. **Office**—574 President St., Brooklyn, N. Y. **Underwriter**—Ezra Kureen Co., N. Y.

Empire State Building Associates
Aug. 24, 1961 filed $39,000,000 participations of general partnership interest to be offered in units. **Price**—$10,000 per unit. **Business**—General real estate. **Proceeds**—To help finance the purchase of the Empire State Building. **Office**—60 E. 42nd St., N. Y. **Underwriter**—None.

★ Enamo-Bord Products, Inc.
Aug. 31, 1961 ("Reg. A") $250,000 of 8% registered convertible debenture notes due Sept. 30, 1971 to be offered in denominations of $500 and $1,000. **Price** — At par. **Business** — The manufacture of baked enamel exterior siding and masonite hardboard. **Office**—East 2626 Trent Ave., Spokane. **Underwriter**—None.

Executive Equipment Corp.
Aug. 1, 1961 filed 100,000 common shares. **Price** — $4. **Business**—The long-term leasing of automobiles. **Proceeds** — For the purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. **Office** — 790 Northern Blvd., Great Neck, N. Y. **Underwriters**—Reich & Co., and Jacques Coe & Co., New York.

Executive House, Inc. (10/23-27)
Aug. 29, 1961 filed $2,000,000 of 6% subordinated sinking fund debentures due 1971 and 400,000 common to be offered in 200,000 units, each consisting of a $10 debenture (with 2 warrants) and two common. **Price**—By amendment. **Business**—The operation of hotels. **Proceeds**—For investment in a subsidiary and realty acquisitions. **Office**—71 E. Wacker Dr., Chicago. **Underwriters** — Bear, Stearns & Co., N. Y. C. and Straus, Blosser & McDowell Co., Chicago (mgrs.).

● FMC Corp. (10/16-20)
Sept. 5, 1961 filed $30,000,000 convertible subordinated debentures due 1981. **Price**—By amendment. **Business**—The manufacture of industrial and agricultural chemical equipment. **Proceeds**—For general corporate purposes. **Office**—1105 Coleman Ave., San Jose, Calif. **Underwriter**—Kidder, Peabody & Co., N. Y.

FM-Stereo Guide, Inc.
Aug. 4, 1961 "Reg. A" 50,000 common shares. **Price**—$6. **Business**—The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. **Proceeds**—For general corporate purposes. **Office**—1711 Walnut Street, Philadelphia. **Underwriter** — Valley Forge Securities Co., Inc., New York City and Philadelphia.

Fairfield Controls, Inc. (9/26)
May 19, 1961 filed 150,000 shares of common stock. **Price**—$1 per share. **Business**—The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. **Proceeds**—For equipment, repayment of a loan, inventory, advertising and working capital. **Office**—114 Manhattan Street, Stamford, Conn. **Underwriters** — First Philadelphia Corp., and Lieberbaum & Co., both of N. Y.

Family Circle Associates, Inc.
Aug. 30, 1961 filed 50,000 class A common. **Price**—$7. **Business**—The operation of retail discount department stores. **Proceeds**—For repayment of loans and working capital. **Office**—30 Main St., Keyport, N. J. **Underwriter**—Russell & Saxe, Inc., N. Y.

★ Family Finance Corp.
Sept. 20, 1961 filed $25,000,000 principal amount of senior debentures due Oct. 15, 1981. **Price**—By amendment. **Business**—The operation of a small loan, discount loan and sales financing business and the writing of credit life and other types of insurance. **Proceeds**—For working capital. **Office**—201 W. 14th Street, Wilmington, Del. **Underwriter**—Goldman, Sachs & Co., N. Y.

Faradyne Electronics Corp.
Jan. 30, 1961 filed $2,000,000 of 6% convertible subordinated debentures. **Price**—100% of principal amount. **Business**—The company is engaged in the manufacture and distribution of high reliability materials and basic electronic components, including dielectric and electrolytic capacitors and precision tungsten wire forms. **Proceeds**—For the payment of debts and for working capital. **Office**—471 Cortlandt Street, Belleville, N. J. **Underwriter**—S. D. Fuller Co. **Note**—July 11, the SEC instituted "Stop Order" proceedings challenging the accuracy and adequacy of this statement.

● Fashion Homes Inc. (10/9-13)
July 13, 1961 filed $600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from $4 to $8 per share) to be offered for public sale in units of one $60 debenture, 10 common shares and 10 warrants. The registration also covers 40,800 common shares. **Price**—$100 per unit, and $6 per share. **Business**—The construction of shell homes. **Proceeds**—For redemption of 8% debentures; advances to company's subsidiary; repayment of loans, advertising and promotion, and other corporate purposes. **Office**—1711 N. Glenstone, Springfield, Mo. **Underwriters** — Globus, Inc. and Ross, Lyon & Co., Inc., New York.

● First Mortgage Fund
June 12, 1961 filed 1,000,000 shares of beneficial interests. **Price** — $15. **Business** — A real estate investment trust. **Proceeds**—For investment. **Office**—30 Federal St., Boston. **Underwriter**—Shearson, Hammill & Co., N. Y. **Offering**—Imminent.

First National Realty & Construction Corp. (10/16-20)
Aug. 11, 1961 filed $3,000,000 of 6½% subordinated debentures due 1976 (with warrants attached). **Price**—By amendment. **Business** — The construction and management of real estate. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—630 Third Avenue, N. Y. **Underwriter**—H. Hentz & Co., N. Y. (mgr.)

First Small Business Investment Company of Tampa, Inc.
Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—$12.50 per share. **Proceeds** — To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

First Union Realty (10/9-13)
Aug. 30, 1961 filed 1,060,000 shares of beneficial interests. **Price**—By amendment. **Business**—A real estate investment trust. **Proceeds**—For purchase of an office building, repayment of loans and working capital. **Office**—Union Commerce Bldg., Cleveland. **Underwriters**—Harriman Ripley & Co., N. Y., and Hayden, Miller & Co., Cleveland.

First Western Financial Corp. (10/30-11/3)
Aug. 23, 1961 filed 450,000 common, of which 100,000 shares are to be offered by the company and 350,000 shares by stockholders. **Price**—By amendment. **Business**—A holding company for a savings and loan association, an insurance agency, real estate and escrow agencies and an appraisal service. **Proceeds**—For repayment of a loan and general corporate purposes. **Office**—118 Las Vegas Blvd. S., Las Vegas, Nev. **Underwriter**—A. C. Allyn & Co., N. Y. (mgr.).

● Flato Realty Fund
April 21, 1961 filed 2,000,000 shares of participation in the Fund. **Price**—$10 per share. **Business**—A new real estate investment trust. **Proceeds** — For investment. **Office**—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. **Distributor**—Flato, Bean & Co., Corpus Christi.

Fleetwood Securities Corp. of America
Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. **Price**—$10. **Business**—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. **Proceeds**—To increase net capital and for investment. **Office**—44 Wall St., New York. **Underwriter** — General Securities Co., Inc., New York. **Offering**—Expected in early Oct.

Flora Mir Candy Corp.
May 24, 1961 (letter of notification) 85,700 shares of common stock (par 10 cents). **Price**—$3.50 per share. **Business**—The manufacture of candy products. **Proceeds**—For repayment of loans; working capital, and expansion. **Office**—1717 Broadway, Brooklyn, N. Y. **Underwriters**—Security Options Corp.; Jacey Securities Co. and Planned Investing Corp. all of New York City.

Floyd Bennett Stores, Inc.
Aug. 30, 1961 filed 100,000 common. **Price**—By amendment. **Business**—The operation of discount department stores. **Proceeds**—For repayment of loans and working capital. **Office**—300 W. Sunrise Highway, Valley Stream, N. Y. **Underwriters**—Goodkind, Neufeld, Jordon Co., Inc. and Richter & Co., N. Y. (mgrs.).

● Fotochrome Inc. (9/27-28)
June 29, 1961 filed $3,500,000 of convertible subordinated debentures due 1981 and 262,500 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. **Price** — By amendment. **Business** — The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. **Proceeds** — For construction of a new plant, purchase of equipment, moving expenses and for other corporate purposes. **Office**—1874 Washington Ave., New York. **Underwriters**—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., N. Y.

Fram Corp.
Sept. 1, 1961 filed 50,000 common. **Price**—By amendment. **Business** — The manufacture of oil and air filtration equipment for engines. **Proceeds**—To reimburse Treasury for a recent acquisition. **Office**—105 Pawtucket Ave., East Providence, R. I. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

G-W Inc.
Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at $2 per share from March to August 1961 and at $3 per share from September 1962 to February 1964. **Price** — $4 per unit. **Business** — The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. **Proceeds** — For general corporate purposes. **Office** — Kensington and Sedgley Avenues, Philadelphia, Pa. **Underwriter**—Fraser & Co., Inc., Philadelphia, Pa. **Note**—Company formerly was named G-W Ameritronics, Inc. **Offering**—Imminent.

★ Gas Hills Uranium Co.
Aug. 29, 1961 filed 847,035 common to be offered for subscription by stockholders on the basis of one new for each 10 held. **Price**—By amendment. **Business**—The operation of uranium mines and a mill. **Proceeds**—For repayment of loans, acquisitions and working capital. **Office**—224 Ivinson St., Laramie, Wyo. **Underwriter**—None.

Gem Electronic Distributors, Inc.
Aug. 25, 1961 filed 75,000 common. **Price**—By amendment. **Business**—The distribution of electronic parts and equipment, including TV and radio components. **Proceeds**—For repayment of loans and inventory. **Office**—34 Hempstead Turnpike, Farmingdale, N. Y. **Underwriter**—Carter, Berlind, Potoma & Weill, N. Y. C. (mgr.).

General Foam Corp.
Aug. 15, 1961 filed $4,000,000 of 6% convertible subordinated debentures due 1981. **Price**—At par. **Business**—The manufacture of urethane foam and foam rubber products. **Proceeds**—For repayment of loans and working capital. **Office**—640 W. 134th St., New York. **Underwriter**—Brand, Grumet & Seigel, Inc., New York.

● General Forms, Inc.
Aug. 15, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Proceeds**—For repayment of loans, plant improvements, equipment and working capital. **Office**—7325 Northwest 43rd St., Miami. **Underwriter**—Equity Securities Co., New York.

General Indicator Corp.
Aug. 23, 1961 ("Reg. A") 30,000 6% cumulative preferred shares. **Price** — At par ($10). **Proceeds** — For working capital. **Office**—271 Madison Ave., N. Y. **Underwriter**—J. S. Strauss & Co., San Francisco.

General Kinetics Inc.
Aug. 7, 1961 filed 200,000 common shares. **Price** — By amendment. **Business** — The company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. **Proceeds**—For expansion. **Office** — 2611 Shirlington Road, Arlington, Va. **Underwriters**—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

● General Plastics Corp.
June 20, 1961 ("Reg. A") 60,000 common shares (par $1). **Price**—$5. **Proceeds**—For repayment of loans, inventory, equipment and working capital. **Office**—12414 Exposition Blvd., West Los Angeles, Calif. **Underwriters**—Pacific Coast Securities Co. and Seligren, Miller & Co., San Francisco. **Offering**—Imminent.

General Public Service Corp.
July 26, 1961 filed 3,947,795 common being offered for subscription by stockholders on the basis of one new for each two held of record Sept. 12 with rights to expire Sept. 27. **Price**—$6.25. **Business**—A closed-end investment company. **Proceeds** — For investment. **Office** — 90 Broad St., N. Y. **Underwriter**—Stone & Webster Securities Corp., N. Y. (mgr.).

General Spray Service, Inc. (9/25-29)
June 23, 1961 filed 90,000 class A common shares and warrants to purchase 90,000 class A common shares to be offered in units, each unit consisting of one class A share and one two-year warrant. **Price**—$3.50 per unit. **Business** — The manufacture of a spraying machine. **Office**—156 Katonah Ave., Katonah, N. Y. **Underwriter**—Ross, Lyon & Co., Inc. & Glass & Ross, Inc., N. Y. (mgr.)

Georgia Power Co. (10/18)
Sept. 1, 1961 filed 70,000 shares of no par cumulative preferred stock. **Proceeds**—For construction and the repayment of loans. **Office**—270 Peachtree St., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders—First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. **Bids**—Oct. 18 (11 a.m. EDST) at offices of Southern Services, Inc. (Room 1600), 250 Park Ave., N. Y. **Information Meeting**—Oct. 9 (2:30 p.m. EDST) at offices of Chemical Bank New York Trust Co., (10th floor), 30 Broad St., N. Y.

Georgia Power Co. (10/18)
Sept. 1, 1961 filed $10,000,000 of first mortgage bonds due Oct. 1, 1991. **Proceeds**—For construction and the repayment of loans. **Office**—270 Peachtree St., Atlanta, Ga. **Underwriters**—(Competitive). Probable bidders: Harriman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc., Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co.; Equitable Securities Corp., Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Oct. 18 (12 noon EDST) at offices of Southern Services, Inc. (Room 1600) 250 Park Ave., N. Y. **Information Meeting**—Oct. 9, (2:30 p. m. EDST) at offices of Chemical Bank New York Trust Co. (10th floor), 30 Broad St., N. Y.

● Gerber Scientific Instrument Co.
July 14, 1961 filed 78,000 common shares, of which 60,000 shares are to be offered by the company and 18,000 shares by the stockholders. **Price** — By amendment. **Business** — The manufacture of scientific instruments. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—140 Van Block Ave., Hartford, Conn. **Underwriter**—Estabrook & Co., Boston, Mass. **Offering**—Imminent.

★ Geriatric Services, Inc.
Aug. 28, 1961 ("Reg. A") 75,000 common. **Price** — $4. **Business**—The operation of nursing homes for the aged. **Office**—1261 Blue Hill Ave., Boston, Mass. **Underwriter**—None.

Gibbs (T. R.) Medicine Co., Inc.
May 26, 1961 filed 110,000 shares of class A stock. **Price**—$3 per share. **Business**—The manufacture, marketing and distribution of proprietary drug products. **Proceeds**—For advertising and general corporate purposes. **Office**—1496 H Street, N. E., Washington, D. C. **Underwriter**—General Securities Corp., 1012 14th St., N. W., Washington, D. C.

● Girder Process, Inc. (10/9-13)
July 21, 1961 filed 80,000 class A common shares. **Price**—$5.25. **Business**—The manufacture of adhesive bonding films and related products. **Proceeds**—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product development, sales program, advertising, working capital and other corporate purposes. **Office**—102 Hobart Street, Hackensack, N. J. **Underwriter**—Winslow, Cohu & Stetson, New York (managing).

★ Glacier Publishing International, Inc.
Sept. 15, 1961 filed 112,500 common. **Price**—$3. **Business**—The publishing of crossword puzzle magazines, pricing guide directories and certain annual publications. **Proceeds**—For the repayment of debt, and working capital. **Office**—26 B'way, N. Y. **Underwriter**—Farrell Securities Co., N. Y.

Glenmore Distilleries Co.
Aug. 25, 1961 filed $7,500,000 of convertible subordinated debentures due 1981. **Price**—By amendment. **Business**—The production of alcoholic beverages. **Proceeds**—For repayment of loans. **Office**—660 Fourth St., Louisville. **Underwriter**—Glore, Forgan & Co., N. Y. C. (mgr.).

● Glenn Pacific Corp. (10/10)
July 27, 1961 filed 80,000 common shares. **Price**—$5. **Business**—The manufacture of power supplies for arc welding equipment. **Proceeds**—For repayment of a loan and working capital. **Office**—703—37th Ave., Oakland. **Underwriter**—Birr & Co., Inc., San Francisco.

Glickman Corp. (9/25-29)
Aug. 3, 1961 filed 600,000 class A common shares. **Price**—By amendment. **Business**—Real estate. **Proceeds**—For investment. **Office**—501 Fifth Ave., New York. **Underwriters**—Bache & Co., and Hirsch & Co., N. Y. (mgr.)

● Globe Coliseum, Inc.
July 21, 1961 ("Reg. A") 300,000 common shares. **Price**—At par ($1). **Proceeds**—For construction of a coliseum building, furnishings and incidental expenses. **Address**—c/o Fred W. Layman, 526 S. Center, Casper, Wyo. **Underwriter**—Northwest Investors Service, Inc., Billings, Mont. **Offering**—Expected early October.

● Globe Rubber Products Corp. (10/2-6)
Aug. 10, 1961 filed 175,000 common shares, of which 60,000 shares are to be offered by the company and 115,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of rubber floor mats, swim gear and household products. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—418 W. Ontario Street, Philadelphia. **Underwriter**—Kidder, Peabody & Co., N. Y. (mgr.).

Gluckin (Wm.) Co. Ltd.
Aug. 25, 1961 filed 175,000 common. **Price**—$10. **Business**—The manufacture of ladies' underclothing. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Globus, Inc., N. Y. C. (mgr.)

Golf Courses, Inc.
Aug. 28, 1961 filed 100,000 capital shares. **Price**—$6. **Business**—The company plans to operate a public golf course and a private country club. **Proceeds**—For purchase of land, construction and general corporate purposes. **Office**—1352 Easton Rd., Warrington, Bucks County, Pa. **Underwriter**—Metropolitan Securities, Inc., Philadelphia (mgr.)

Green (Henry J.) Instruments, Inc.
Aug. 24, 1961 filed 140,000 common. **Price**—$2.25. **Business**—The manufacture of precision meteorological instruments. **Proceeds**—For repayment of loans, equipment, salaries and general corporate purposes. **Office**—2500 Shames Dr., Westbury, N. Y. **Underwriter**—N. A. Hart & Co., Inc., Bayside, N. Y. (mgr.).

● Greene (M. J.) Co. (9/25-29)
June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Proceeds** — For expansion, and working capital. **Office**—14 Wood St., Pittsburgh. **Underwriter**—Hess, Grant & Remington, Inc., Philadelphia.

Griesedieck Co.
Sept. 11, 1961 filed 100,000 common to be offered for subscription by stockholders on the basis of one new share for each three held. **Price**—By amendment. **Business**—A closed-end investment company. **Proceeds**—For general corporate purposes. **Office**—314 N. Broadway, St. Louis. **Underwriter**—Edward D. Jones & Co., St. Louis (mgr.).

Gro-Rite Shoe Co., Inc.
July 21, 1961 filed $500,000 of 6% convertible subordinated debentures due 1970 to be offered for subscription by stockholders on the basis of one $100 debenture for each 60 shares held. **Price**—At par. **Business**—The manufacture of specialized children's shoes. **Proceeds**—For new molds, construction and working capital. **Address**—Route 2, Box 129, Mount Gilead, N. C. **Underwriter**—None.

Growth, Inc. (10/9-13)
May 17, 1961 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Address**—Lynn, Mass. **Underwriter**—Mann & Creesy, Salem, Mass.

● Growth Properties (10/16)
May 9, 1961 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company plans to engage in all phases of the real estate business. **Proceeds** — To reduce indebtedness, construct apartment units, buy land, and for working capital. **Office**—Suite 418, Albert Bldg., San Rafael, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif.

Gulf States Utilities Co. (10/3)
Aug. 21, 1961 filed $15,000,000 of debentures due 1981. **Office**—285 Liberty Avenue, Beaumont, Texas. **Underwriters**—Competitive. Probable bidders: Salomon Brothers & Htuzler and Eastman Dillon, Union Securities & Co. (jointly); Lehman Brothers; Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly); Stone & Webster Securities Corp. **Bids**—Oct. 3, 1961 at 11 a.m. (EDST) **Information Meeting**—Sept. 28 (11a.m. EDST) at 70 Broadway (18th floor) N. Y.

● Guy's Foods, Inc.
Aug. 2, 1961 filed 97,000 common shares (par $2). **Price**—$10. **Business**—The processing of foods. **Proceeds**—For purchase of buildings, equipment and additional inventories. **Office**—2215 Harrison, Kansas City, Mo. **Underwriter**—Allen & Co., N. Y. (mgr.). **Offering**—Expected early November.

Halco Chemical Co.
Aug. 25, 1961 filed 225,000 common. **Price**—$2. **Business**—The manufacture of agricultural chemicals and related products. **Proceeds** — For general corporate purposes. **Office**—N. 14th St., and Lafayette Ave., Kenilworth, N. J. **Underwriters**—Ross, Lyon & Co., Inc., and Globus, Inc., N. Y. C. (co-mgrs.).

Hallmark Insurance Co., Inc.
Aug. 3, 1961 filed 225,000 common shares. **Price** — $3. **Business**—An insurance company. **Proceeds**—For capital and surplus. **Office**—636 S. Park St., Madison, Wis. **Underwriters**—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

Continued on page 50

Continued from page 49

Hamilton Electro Corp.
Aug. 9, 1961 filed 135,000 common shares, of which 80,000 shares are to be offered by the company and 55,000 shares by stockholders. **Price**—$7.50. **Business**—The distribution of solid state electronic parts and equipment. **Proceeds**—For inventory, new product lines, repayment of loans and working capital. **Office**—11965 Santa Monica Blvd., Los Angeles, Calif. **Underwriter** — William Norton Co., New York.

• Hampton Sales Co., Inc. (10/2-5)
July 27, 1961 filed 150,000 common shares. **Price**—$4. **Business**—The operation of real discount stores. **Proceeds**—For repayment of bank loans and working capital. **Office**—8000 Cooper Ave., Glendale, L. I., N. Y. **Underwriter**—Godfrey, Hamilton, Magnus & Co., Inc., N. Y.

Handschy Chemical Co. (10/30)
Aug. 25, 1961 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. **Price**—By amendment. **Business**—The manufacture of specialty printing inks, chemicals and supplies. **Proceeds**—For general corporate purposes. **Office**—2525 N. Elston Ave., Chicago. **Underwriter**—Blunt Ellis & Simmons, Chicago (mgr.)

Hannett Industries, Inc. (10/2-6)
Aug. 11, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—$3. **Business**—The fabrication of components for missiles, jet engines, aircraft landing gears and precision machines. **Proceeds**—For machinery, research and development and working capital. **Office**—40 Sea Cliff Avenue, Glen Cove, N. Y. **Underwriter**—Albion Securities Co., Inc., New York.

• Harn Corp. (9/22)
June 20, 1961 filed 150,000 common shares of which an undisclosed number will be offered by the company for subscription by stockholders and the balance (amounting to $300,000 after underwriting commissions) by a stockholder. **Price**—By amendment. **Business**—The manufacture of products for baby care such as quilts, pillows, knitted garments, etc. **Proceeds**—For the repayment of loans, purchase of raw materials and equipment, leasehold improvements, and working capital. **Office**—1800 E. 38th St., Cleveland. **Underwriter**—J. R. Williston & Beane, New York (managing).

• Hawaiian Telephone Co.
Aug. 15, 1961 filed 782,144 common shares, of which 711,040 shares are to be offered for subscription by stockholders on the basis of one new share for each six shares held and 71,104 shares to be sold to employees. **Price**—By amendment. **Proceeds**—For working capital. **Office**—1130 Alakea St., Honolulu. **Underwriter**—Kidder, Peabody & Co., N. Y. (mgr.). **Offering**—Expected early October.

Hawthorne Financial Corp.
Aug. 10, 1961 filed 33,117 capital shares. **Price** — By amendment. **Business**—A holding company for a savings and loan association and an insurance agency. **Proceeds**—For the selling stockholders. **Office**—305 S. Hawthorne Boulevard, Hawthorne, Calif. **Underwriter** — Crowell, Weedon & Co., Los Angeles.

Hexagon Laboratories, Inc. (9/25-29)
July 20, 1961 filed $540,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of $300 of debentures and 50 common shares. **Price**—$500 per unit. **Business**—The manufacture of medicinal chemicals. **Proceeds**—For equipment, expansion, repayment of loans and working capital. **Office**—3536 Peartree Avenue, New York **Underwriter**—Stearns & Co., New York (managing).

Hi-Shear Corp.
Aug. 1, 1961 filed 139,500 common shares, of which 105,000 will be sold by the company and 34,500 by stockholders. **Price**—By amendment. **Business**—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. **Proceeds**—For construction, repayment of loans and other corporate purposes. **Office** — 2600 W. 247th St., Torrance, Calif. **Underwriter**—William R. Staats & Co., Los Angeles.

Hickory Industries, Inc.
Aug. 31, 1961 ("Reg. A") 40,000 common. **Price**—$5. **Business**—The manufacture of barbecue machines and allied equipment. **Proceeds**—For equipment, inventory, sales promotion, expansion and working capital. **Office**—10-20 47th Rd., Long Island City, N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y.

• Hilco Homes Corp. (9/26)
June 30, 1961 filed $650,000 of 6½% convertible subordinated debentures due 1979 and 195,000 common shares to be offered for public sale in 6,500 units, each consisting of one $100 debenture and 30 common shares. **Price**—By amendment. **Business**—The manufacture of pre-cut homes and components in the heating, plumbing and kitchen equipment fields. **Proceeds**—To organize a new finance subsidiary, for plant expansion, and for working capital. **Office**—70th St., and Essington Ave., Philadelphia. **Underwriter**—Rambo, Close & Kerner, Inc. Philadelphia.

• Hoffman International Corp. (10/9)
July 18, 1961 filed $1,890,700 7% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of $100 of debentures for each 25 shares held. **Price**—At par. **Business**—The manufacture of pressing and dry-cleaning equipment. **Proceeds**—For repayment of loans and general corporate purposes. **Office**—107 Fourth Ave., New York. **Underwriter**—J. R. Williston & Beane, New York.

• Hogan Faximile Corp.
July 26, 1961 filed 300,000 common shares. **Price** — By amendment. **Business**—The manufacture of electrolytic recording paper and equipment. **Proceeds**—For repayment of debt and working capital. **Office**—635 Greenwich St., New York. **Underwriter**—William R. Staats & Co., Los Angeles (managing).

• Holly Stores, Inc. (9/27-29)
July 28, 1961 filed 175,000 common shares, of which 100,000 shares are to be offered by the company and 75,000 shares by the stockholders. **Price**—By amendment. **Business**—The operation of a chain of women's and children's apparel stores. **Proceeds**—For land purchase, inventory and general corporate purposes. **Office**—115 Fifth Ave., N. Y. **Underwriter**—Allen & Co., N. Y.

Hollywood Artists Productions Inc.
July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The production of motion picture and TV feature films. **Proceeds**—For repayment of loans, producers' fee, stories and working capital. **Office**—350 Lincoln Rd., Miami Beach, Fla. **Underwriter**—A. M. Shulman & Co., Inc., N.Y. 37 Wall St., N.Y.

• Houston Corp.
June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. **Price**—By amendment. **Business** — The operation of a pipe line system of natural gas. **Proceeds**—For expansion, working capital and general corporate purposes. **Office**—First Federal Bldg., St. Petersburg, Fla. **Underwriters**—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York.

Hygrade Packaging Corp.
Aug. 30, 1961 filed 100,000 class A. **Price**—By amendment. **Business**—The manufacture of paper cartons and boxes. **Proceeds**—For product development, expansion, repayment of a loan and working capital. **Office**—92-00 Atlantic Ave., Ozone Park, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., N. Y. (mgr.).

Ihnen (Edward H.) & Son, Inc. (10/23-27)
May 16, 1961 filed 75,000 shares of common stock. **Price**—$5 per share. **Business**—The construction of public and private swimming pools and the sale of pool equipment. **Proceeds**—To reduce indebtedness, to buy equipment, and for working capital. **Office**—Montvale, N. J. **Underwriter**—Amos Treat & Co., Inc., New York City.

★ Illinois Capital Investment Corp.
Sept. 19, 1961 filed 250,000 common. **Price**—By amendment. **Business**—A small business investment company. **Office**—20 North Wacker Dr., Chicago, Ill. **Underwriter**—Blair & Co. Inc., N. Y.

• Income Planning Corp.
Dec. 29, 1960 (letter of notification) 5,000 shares of cumulative preferred stock (no par) and 10,000 shares of class A common stock (par 10 cents) to be offered in units consisting of one share of preferred and two shares of common. **Price** — $40 per unit. **Proceeds** — To open a new branch office, development of business and for working capital. **Office**—3300 W. Hamilton Boulevard, Allentown, Pa. **Underwriter**—Espy & Wanderer, Inc., Teaneck, N. J. **Offering**—Expected sometime in Oct.

• Industrial Electronic Hardware Corp.
June 29, 1961 filed $1,000,000 of 6% convertible subordinated debentures due Aug. 1, 1976 to be offered by the company. **Price**—At par. **Business**—The manufacture of basic component parts for the electrical and electronic equipment industry. **Proceeds**—For expansion, inventory, introduction of new products and general corporate purposes. **Office**—109 Prince Street, New York. **Underwriter**—S. D. Fuller & Co., N. Y. (mgr.). **Offering**—Imminent.

• Industrial Gauge & Instrument Co., Inc.
June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price** — $3. **Business** — The sale of industrial gauges, valves and allied products. **Proceeds**—For production, inventory, working capital and repayment of loans. **Office**—1403 E. 180th St., New York 69, N. Y. **Underwriter**—R. F. Dowd & Co., Inc., N. Y. **Note**—This letter will be refiled.

Industrionics Controls, Inc.
July 26, 1961 filed 84,000 common shares. **Price** — $5. **Business**—The manufacture of electronic controls for the monitoring of machinery. **Proceeds**—For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. **Office**—20 Vandam St., N. Y. **Underwriter**—Jacey Securities Co., N. Y. (managing).

Industry Fund of America, Inc.
July 10, 1961 filed 740,000 common capital shares. **Price**—Net asset value plus a sales charge of up to 8½%. **Business** — A mutual fund. **Proceeds** — For investment. **Office**—400 Utah Savings Bldg., Salt Lake City. **Underwriter**—None.

• Instrument Systems Corp.
June 28, 1961 filed 150,000 common shares (par 25 cents). **Price**—$5. **Business**—The manufacture of precision instruments and controls for the aircraft and electronics industries. **Proceeds**—For expansion and working capital. **Office**—129-07 18th Avenue, College Point, N. Y. **Underwriters**—Milton D. Blauner & Co. (managing), M. L. Lee & Co., Inc., Lieberbaum & Co., New York.

Intercontinental Dynamics Corp. (9/27)
July 18, 1961 ("Reg. A") 200,000 common shares. **Price**—$1.50. **Business**—The manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. **Office**—170 Coolidge Avenue, Englewood, N. J. **Underwriter** — M. H. Woodhill Inc., New York.

Interior Communications Systems, Inc.
Aug. 25, 1961 ("Reg. A") 220,000 common. **Price**—$1.15 **Proceeds**—For establishment of a Chicago branch office and the purchase of inventories. **Office**—2430 Nicollet Ave., Minneapolis. **Underwriter**—McDonald, Anderson, Peterson & Co., Inc., Minneapolis. **Offering**—Expected in late October.

International House of Pancakes, Inc.
Aug. 28, 1961 filed $600,000 of 6% convertible subordinated debentures due 1976 and 81,250 common. **Price**—By amendment. **Business**—The distribution of food items for restaurants. **Proceeds**—For expansion, repayment of loans and general corporate purposes. **Office**—6837 Lankershim Blvd., North Hollywood, Calif. **Underwriter**—L. F. Rothschild & Co., N. Y. (mgr.).

International Housing Corp.
Aug. 16, 1961 filed 440,000 common shares. **Price**—$1.15. **Business**—For construction and financing of shell homes. **Proceeds**—For working capital and general corporate purposes. **Office**—2101 N. E. Broadway, Minneapolis. **Underwriter**—Bratter & Co., Inc., Minneapolis.

International Management Corp.
Aug. 21, 1961 ("Reg. A") 100,000 common (par $1). **Price**—$3. **Proceeds**—For loans to subsidiaries and working capital. **Office**—7510 B. Granby St., Norfolk, Va. **Underwriter**—J. B. McLean & Co., Inc., Norfolk, Va.

★ International Mines, Inc.
Aug. 30, 1961 ("Reg. A") 289,818 common. **Price**—At par ($1). **Business**—The exploration and development of a copper mine. **Office**—2717 Spear St., North Las Vegas, Nev. **Underwriter**—None.

★ Interphoto Corp.
Sept. 15, 1961 filed 200,000 class A common. **Price**—$9. **Business** — The wholesale distribution of photographic and sound equipment and supplies. **Proceeds**—For the selling stockholders. **Office** — 45-17 Pearson St., Long Island City, N. Y. **Underwriters**—C. E. Unterberg, Towbin & Co., and Arnold & S. Bleichroeder, Inc., N. Y.

• Interstate Bowling Corp.
July 25, 1961 filed 150,000 common shares. **Price**—$3.50. **Business** — The acquisition and operation of bowling centers in Colorado, California and other states. **Proceeds**—For repayment of debts and general corporate purposes. **Office** — 10391 Magnolia Ave., Riverside, Calif. **Underwriter**—Currier & Carlsen, Inc., San Diego.

Interstate Fire & Casualty Co. (10/10)
Aug. 25, 1961 filed 100,000 common. **Price**—By amendment. **Business**—The writing of general insurance. **Office**—501 Livingston Bldg., Bloomington, Ill. **Underwriter**—White, Weld & Co., N. Y. C. (mgr.)

Ivest Fund, Inc. (10/2-6)
Feb. 20, 1961 filed 150,000 shares of common stock. **Price**—Net asset value at the time of the offering. **Business**—A non-diversified, open-end investment company, whose stated objective is capital appreciation. **Proceeds**—For investment. **Office** — One State Street, Boston, **Underwriter**—Ivest, Inc., One State Street, Boston. **Offering**—Expected in September.

James Vending Machine Co., Inc.
Aug. 11, 1961 ("Reg. A") 100,000 common shares (par 10c). **Price**—$3. **Business**—The sale, servicing and operation of vending machines. **Proceeds** — For purchase of trucks, development and general corporate purposes. **Office**—5523 Illinois Ave., N. W., Washington 11, D. C. **Underwriter**—Mitchell, Carroll & Co., Inc., 1101 Connecticut Ave., N. W., Washington, D. C.

Japan Development Bank
Sept. 8, 1961 filed $20,000,000 of guaranteed external loan bonds to be offered for public sale in four series (5% to 6% interest) due from 1964 to 1976. **Price**—By amendment. **Business**—The bank was organized by the Japanese Govt. in 1951 to supply long-term funds to Japanese industry for the promotion of economic reconstruction and industrial development. **Proceeds**—To make loans to private electric power companies for expansion purposes. **Office**—Tokyo, Japan. **Underwriters**—First Boston Corp., Dillon, Read & Co. Inc., and Smith, Barney & Co. Inc.

Jarrell-Ash Co.
Aug. 17, 1961 filed 60,000 class A common shares and 9,000 outstanding voting trust certificates (representing beneficial interest in 9,000 class B common shares). **Price**—By amendment. **Business**—The manufacture of optical instrumentation. **Proceeds**—For repayment of loans and working capital. **Office** — 7 Farwell St., Newtonville, Mass. **Underwriters**—Stearns & Co., New York and Clayton Securities Corp., Boston. **Offering**—Expected in early November.

• Jayark Films Corp. (10/18)
Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. **Price**—By amendment. **Business**—The distribution of motion picture and television films. **Proceeds**—For production of films and working capital. **Office**—15 E. 48th St., N. Y. **Underwriter**—Pacific Coast Securities Co., San Francisco.

• Jergens (Andrew) Co. (9/28)
Aug. 3, 1961 filed 250,002 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of toiletries. **Proceeds**—For the selling stockholders. **Office**—2535 Spring Grove Ave., Cincinnati. **Underwriter**—Hornblower & Weeks, New York (managing).

Johnson Electronics, Inc.
Sept. 8, 1961 filed 125,000 capital shares. **Price**—By amendment. **Business**—The design and production of special electronic components for the commercial and military market. **Proceeds**—For the repayment of debt, and working capital. **Address**—Box 7, Casselberry, Fla. **Underwriter**—Warner, Jennings, Mandel & Longstreth, Philadelphia.

Joyce Teletronics Corp.
Aug. 31, 1961 ("Reg. A") 55,000 common. **Price**—$5. **Business**—The manufacture of electronic instruments used in communication. **Proceeds**—For working capital, new products and repayment of loans. **Office**—20 Madison Ave., Hicksville, N. Y. **Underwriter**—General Securities Co., Inc., N. Y.

Julyn Sportswear, Inc.
Sept. 7, 1961 filed 125,000 class A. **Price**—$5. **Business**—The manufacture of maternity clothes and sportswear. **Proceeds**—For working capital. **Office**—237 W. 35th St., N.Y. **Underwriter**—Mortimer B. Burnside & Co., Inc., N.Y.

Kaiser Electronics, Inc.
Aug. 22, 1961 ("Reg. A") 50,000 common. **Price**—$4.50. **Business** — The manufacture of electronic power conversion equipment. **Proceeds** — For repayment of loans, new products, equipment, inventory, sales promotion and working capital. **Office**—3 Monroe St., Union N. J. **Underwriter**—Schirmer, Atherton & Co., Boston.

● **Kaufman & Broad Building Co. (10/2-6)**
Aug. 11, 1961 filed 174,500 common shares, of which 124,500 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The construction and sale of low-priced homes. **Proceeds**—For repayment of loans and working capital. **Office**—18610 W. Eight Mile Road, Southfield, Mich. **Underwriter**—Bache & Co., New York (managing).

Keller Corp. (10/16)
June 29, 1961 filed $1,200,000 of 6½% convertible subordinated debentures due 1968. **Price**—At 100%. **Business**—The development of land, construction of homes and related activities in Florida. **Proceeds**—For repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. **Office**—101 Bradley Place, Palm Beach, Fla. **Underwriter**—Casper Rogers & Co., Inc., New York (managing).

Kendall Industries, Inc.
Sept. 11, 1961 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 by a selling stockholder. **Price**—$4. **Business**—The manufacture of sliding aluminum windows and doors. **Proceeds**—For equipment and general corporate purposes. **Office**—5581 Air Terminal Dr., Fresno, Calif. **Underwriter**—Currier & Carlsen, Inc., San Diego (mgr.).

Kent Dry Cleaners, Inc. (11/2)
Aug. 25, 1961 filed 165,000 common, of which 45,000 are to be offered by the company and 120,000 by stockholders. **Price**—$5. **Business**—The dry cleaning and storage of clothes. **Proceeds**—For working capital and general corporate purposes. **Office** — 1745 Clintonville St., Whitestone (Queens) N. Y. **Underwriter**—Arnold Malkan & Co., Inc., N. Y. C.

Kent Washington, Inc.
July 19, 1961 filed 200,000 common shares. **Price**—$5. **Business**—General real estate. **Proceeds**—For repayment of loans, working capital, construction and other corporate purposes. **Office**—1420 K Street, N. W., Wash., D. C. **Underwriter**—Modgdon & Co., Inc., Wash., D. C.

Kentucky Central Life & Accident Insurance Co.
Aug. 16, 1961 filed 400,000 class A non-voting common shares, of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. **Price**—From $13 to $17 per share. **Proceeds**—To increase capital and surplus. **Address**—Anchorage, Ky. **Underwriter**—Stifel, Nicolaus & Co., St. Louis (managing).

Keystone Alloys Co.
Aug. 10, 1961 filed 42,000 common shares. **Price**—By amendment. **Business** — The manufacture of aluminum siding and doors and accessories. **Proceeds**—For acquisitions and repayment of loans. **Office**—511 Mellon Bank Building, Latrobe, Pa. **Underwriter**—Singer, Deane & Scribner, Pittsburgh (managing).

● **Keystone Steel & Wire Co.**
Aug. 23, 1961 filed $20,000,000 of convertible subordinated debentures due 1981. **Price**—By amendment. **Business**—The production of steel. **Proceeds**—For the repayment of debt and working capital. **Office**—Peoria, Ill. **Underwriters**—Hornblower & Weeks and Eastman Dillon, Union Securities & Co. (co-mgrs.) **Offering**—Expected in mid-October.

Kiddie Rides, Inc.
Sept. 12, 1961 filed $1,000,000 of 7% convertible subordinated debentures due 1971 and 30,000 common to be offered in units of $1,000 debentures and 30 of common. **Price**—By amendment. **Business**—The operation of coin operated children's amusement equipment. **Proceeds**—For repayment of loans, equipment and general corporate purposes. **Office**—2557 W. North Ave., Chicago. **Underwriter**—Paul C. Kimball & Co., Chicago.

● **King's Office Supplies & Equipment, Inc. (9/26)**
July 5, 1961 ("Reg. A") 65,000 common shares (par $1). **Price**—$2. **Proceeds**—For inventory and working capital. **Office**—515-5th St., Santa Rosa, Calif. **Underwriter** — Pacific Coast Securities Co., San Francisco.

Knape & Vogt Manufacturing Co.
Sept. 11, 1961 filed 263,750 common. **Price**—By amendment. **Business**—The manufacture of specialty hardware items. **Proceeds**—For the selling stockholders. **Office**—658 Richmond St., N. W. Grand Rapids, Mich. **Underwriter**—Glore, Forgan & Co., N. Y. (mgr.).

Korfund, Inc.
Sept. 8, 1961 filed $600,000 of 6½% convertible subord. debentures due 1971 and 180,000 common to be offered for public sale in units, each consisting of $100 of debentures and 30 common. Of the 180,000 shares, 40,000 will be sold by the company and 140,000 by Massachusetts Mohair Plush Co., Inc., sole stockholder. **Price**—By amendment. **Business**—The manufacture of vibration, shock and noise control products and the distribution of European made electronic and mechanical instruments. **Proceeds**—For the repayment of debt, and working capital. **Office**—16 E. 34th St., N. Y. **Underwriter**—Street & Co., Inc., N. Y. (mgr.).

Kronfeld (Phil), Inc.
July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price**—$4. **Business**—The operation of men's retail stores. **Proceeds**—For a new store, working capital and general corporate purposes. **Office** — 201 W. 49th St., N. Y. **Underwriter**—Kerns, Bennett & Co., Inc., N. Y.

Kulicke & Soffa Manufacturing Co.
Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of machinery for production of transistors and similar devices. **Proceeds**—For payment of taxes, new products, down payment on a new plant and general corporate purposes. **Office**—401 N. Broad St., Philadelphia. **Underwriter**—Marron, Sloss & Co., Inc., New York (managing).

● **L. L. Drug Co., Inc.**
July 26, 1961 filed 100,000 common shares. **Price**—$4.50. **Business** — The manufacture or pharmaceuticals. **Proceeds**—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. **Office**—1 Bala Ave., Bala-Cynwyd, Pa. **Underwriter**—Stevens Investment Co., Bala-Cynwyd, Pa. **Offering**—Expected in late October.

Lance, Inc.
Aug. 30, 1961 filed 364,000 common. **Price**—By amendment. **Business**—The manufacture of peanut butter filled delicacies. **Proceeds**—For the selling stockholders. **Office**—1304 S. Blvd., Charlotte, N. C. **Underwriter**—R. S. Dickson & Co., Charlotte, N. C. (mgr.).

★ **Laure Exploration Co., Inc.**
Aug. 31, 1961 ("Reg. A") 20,000 common. **Price** — $15. **Business**—Mining and drilling for oil and gas. **Address**—P. O. Box 63, Arnett, Okla. **Underwriter**—None.

● **Lee Filter Corp. (9/28)**
July 7, 1961 ("Reg. A") 1,334 capital shares (par $1). **Price**—$7.25. **Business**—The manufacture of air, oil and gasoline filters for vehicles. **Proceeds**—For the selling stockholders. **Office**—191 Talmadge Road, Edison, N. J. **Underwriter**—Omega Securities Corp., N. Y. (mgr.)

Lewis & Clark Marina, Inc. (9/25-29)
May 9, 1961 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Address**—Yankton, S. D. **Underwriter** — The Apache Investment Planning Division of the Apache Corp., Minneapolis.

● **Lewis (Tillie) Foods, Inc. (10/2-6)**
July 3, 1961 filed 400,000 common shares (par $1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. **Price**—By amendment. **Business**—The processing, canning, bottling and selling of fruits and vegetables. **Proceeds**—For repayment of debt and working capital. **Office**—Fresno Ave. & Charter Way, Stockton, Calif. **Underwriter**—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.
Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. **Proceeds** — For repayment of loans, inventory and working capital. **Office**—325 W. Houston Street, New York. **Underwriter**—Tau Inc., New York.

★ **Liberian American-Swedish Minerals Co.**
Sept. 14, 1961 filed $5,871,500 of 4.167% subordinated debentures due 1985 to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive Class C rights to acquire the debentures and 176,145 of Liberian Iron Ore Ltd., parent, in units, each consisting of $100 of debentures and 3 Liberian Iron Ore. **Price**—$104 per unit. **Business**—The commercial exploitation of iron ore deposits in Liberia. **Proceeds**—For the selling stockholder. **Address**—Monrovia, Liberia. **Underwriter**—None.

★ **Liberian Iron Ore Ltd.**
Sept. 14, 1961 filed 436,327 capital shares to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive class A rights to acquire 40,000 capital shares on the basis of one for each 22 held; class B rights to acquire 220,182 on the basis of one for each four held; and class C rights to acquire 176,145 shares and $5,871,500 of debentures of Liberian American-Swedish Minerals Co., subsidiary, in units, each consisting of $100 of debentures and three Liberian Iron shares. **Price**—Class A—$10; Class B—$15.85; Class C—$104 per unit. **Proceeds**—For the selling stockholder. **Business**—A holding company for stock of Liberian American-Swedish Minerals Co., which is engaged in the exploitation of iron ore deposits in Liberia. **Address**—Prince Edward Island, Canada. **Underwriter**—None.

Lido Corp.
Aug. 29, 1961 ("Reg. A") 84,000 common. **Price**—$3.25. **Business**—The manufacture of toys, games and novelties. **Proceeds**—For new equipment, advertising, and repayment of loans. **Office**—349 Rider Ave., Bronx 51, N. Y. **Underwriter**—Flomenhaft, Seidler & Co., Inc., N. Y.

Lincoln Fund, Inc. (10/16-20)
March 30, 1961 filed 951,799 shares of common stock. **Price** — Net asset value plus a 7% selling commission. **Business** — A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. **Proceeds**—For investment. **Office**—300 Main St., New Britain, Conn. **Distributor**—Horizon Management Corp., New York.

★ **Lincoln Liberty Life Insurance Co.**
Sept. 15, 1961 filed 200,000 common. **Price**—By amendment. **Business**—The writing of ordinary life insurance. **Proceeds**—For the selling stockholders. **Office**—1518 Milam St., Houston, Texas. **Underwriter**—Bache & Co., New York.

● **Liverpool Industries, Inc. (9/27)**
Aug. 1, 1961 "Reg. A" 85,700 common shares (par 10 cents). **Price** — $3.50. **Business** — The manufacture of precision parts for the aircraft and electronic industries. **Proceeds**—For sales promotion and working capital. **Office**—162 57th Street, Brooklyn, N. Y. **Underwriter**—Arden Perin & Co., Inc., New York.

★ **Lomart Perfected Devices, Inc.**
Sept. 14, 1961 filed 100,000 common. **Price**—$5. **Business**—The manufacture of pool filters and accessories and tools, dies, metal stampings, etc. **Proceeds**—For moving expenses, purchase of equipment, promotion of a new product and working capital. **Office**—199 Bleecker St., Brooklyn, N. Y. **Underwriter**—None.

Londontown Manufacturing Co.
Aug. 8, 1961 filed 150,000 common shares. **Price** — By amendment. **Business**—The manufacture of rainwear and golf jackets. **Office**—3600 Clipper Mill Road, Baltimore. **Underwriter**—Alex. Brown & Sons, Baltimore.

Long Island Bowling Enterprises, Inc. (10/2-6)
May 24, 1961 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The operation of bowling alleys. **Proceeds**—For general corporate purposes. **Address**—Mattituck, L. I., N. Y. **Underwriter** — Trinity Securities Corp., N. Y. C.

Longs Drug Stores, Inc. (10/9-13)
Aug. 24, 1961 filed 190,000 outstanding common. **Price**—By amendment. **Business**—The company operates a chain of drug stores in California and Hawaii. **Proceeds**—For the selling stockholders. **Office**—5301 Broadway, Oakland, Calif. **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith Inc. N. Y. C. (mgr.).

● **Lortogs, Inc.**
July 26, 1961 filed 200,000 common shares, of which 150,000 shares are to be offered by the company and 50,000 shares by the stockholders. **Price**—$6.50. **Business**—The manufacture of children's sportswear. **Proceeds**—For repayment of loans; inventories; new products; working capital, and general corporate purposes. **Office**—85 Tenth Ave., New York. **Underwriter**—Reich & Co., N. Y. (mgr.). **Offering**—Expected in mid-October.

● **Lowe's Companies, Inc. (10/2-6)**
July 28, 1961 filed 388,250 common shares. **Price**—By amendment. **Business**—The retail and wholesale distribution of building supplies, household fixtures and appliances, etc. **Proceeds** — For the selling stockholders. **Address**—North Wilkesboro, N. C. **Underwriter**—G. H. Walker & Co., Inc., New York (managing).

★ **Lum's, Inc.**
Sept. 13, 1961 ("Reg. A") 100,000 class A common. **Price**—$1. **Proceeds**—For expansion. **Business**—The operation of a specialty restaurant chain. **Office**—2302 Collins Ave., Miami Beach, Fla. **Underwriter**—Bayes, Rose & Co., Inc., N. Y.

● **Lunar Enterprises, Inc.**
Aug. 31, 1961 filed 125,000 common. **Price**—$5.75. **Business**—The production of television films. **Proceeds**—For filming and production and working capital. **Office**—1501 Broadway, N. Y. **Underwriter**—Ehrlich, Irwin & Co., Inc., 50 Broadway, N. Y.

★ **Lundy Electronics & Systems, Inc.**
Sept. 19, 1961 filed 175,000 common. **Price**—$4. **Business**—The manufacture of electronic, electro-mechanical and hydraulic systems for aircraft, missiles and space vehicles. **Proceeds**—For research and development, sales promotion and working capital. **Office**—Glen Head, N. Y. **Underwriter**—Michael G. Kletz & Co., Inc., N. Y.

Lusk Corp. (11/6-10)
Aug. 30, 1961 filed $1,250,000 of 6½% convertible subordinated debentures due 1971, 200,000 common and 5-year warrants to purchase 50,000 common to be offered in 50 units each consisting of $25 of debentures, 4 common and one warrant. **Price**—By amendment. **Business**—Development of residential communities. **Proceeds**—For working capital and general corporate purposes. **Office**—6910 E. Broadway, Tucson. **Underwriter**—Burnham & Co., N. Y. (mgr.).

M P I Glass Fibers, Inc.
April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). **Price**—$2 per share. **Business**—The manufacture of a new patented fiber glass material to be used in rocket motor cases. **Proceeds**—For expenses, equipment and working capital. **Office**—1025 Shoreham Bldg., Washington, D. C. **Underwriter**—Atlantic Equities Co., Washington, D. C. **Note**—This company formerly was named Industrial Materials, Inc.

MacLevy Associates, Inc.
July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). **Price**—$2. **Business**—The distribution of health, exercise and slenderizing equipment. **Proceeds**—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. **Office**—189 Lexington Ave., N. Y. 16, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N.J.

● **Magazines For Industry, Inc.**
Aug. 2, 1961 filed 135,000 common shares. **Price** — By amendment. **Business**—The publishing of business periodicals. **Proceeds**—For promotion, a new publication and working capital. **Office**—660 Madison Ave., New York. **Underwriter**—S. D. Fuller & Co., N. Y. (mgr.) **Offering**—Expected late October.

● **Magna Pipe Line Co., Ltd.**
June 1, 1961 filed 750,000 common shares, of which 525,000 will be offered for sale in the U. S., and 225,000 in Canada. **Price**—By amendment. **Business**—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Vancover Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. **Proceeds**—For construction. **Office**—508 Credit Foncier Bldg., Vancouver, B. C. **Underwriters**—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pitfield & Co., Ltd., Montreal. **Offering**—Expected in late October.

Continued on page 52

Continued from page 51

• Magnetic Metals Co.
July 28, 1961 filed 151,200 common shares. **Price**—By amendment. **Business** — The manufacture of magnetic components used in the electrical and electronics industries. **Proceeds**—For the selling stockholders. **Office**—Hayes Avenue at 21st Street, Camden, N. J. **Underwriter**—Butcher & Sherrerd, Philadelphia (mgr.). **Offering**—Imminent.

• Mairs & Power Income Fund, Inc.
June 7, 1961 filed 40,000 common shares. **Price** — By amendment. **Business**—A mutual fund. **Proceeds** — For investment. **Office**—1002 First National Bank Bldg., St. Paul, Minn. **Underwriter**—None. **Offering** — Expected early October.

Major Finance Corp.
Aug. 18, 1961 filed $200,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,000 common shares to be offered in units consisting of $100 debenture (with a warrant to purchase one common share at $4) and 50 common shares. **Price**—$300 per unit. **Business**—Consumer finance. **Proceeds**—For working capital. **Office**—912 Thayer Ave., Silver Spring, Md. **Underwriter**—Manhattan Eastern Corp., N. Y. (mgr.)

Malone & Hyde, Inc.
Sept. 1, 1961 filed 275,000 common, of which 100,000 are to be offered by the company and 175,000 by the stockholders. **Price**—By amendment. **Business**—The procurement, warehousing and sale of groceries, meats, produce, etc., to retail grocers. **Proceeds**—For working capital. **Office**—1700 Dunn Ave., Memphis. **Underwriter**—Equitable Securities Corp., Nashville (mgr.).

March Dynamics Inc.
Aug. 28, 1961 filed 125,000 common. **Price**—$2.50. **Business**—The manufacture of mechanical and electro-mechanical components. **Proceeds** — For equipment and working capital. **Office**—920 S. Oyster Bay Rd., Hicksville, N. Y. **Underwriter**—Paul Eisenberg & Co., N. Y. C.

Mark Truck Rental Corp.
June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). **Price**—$1. **Proceeds**—For working capital. **Office**—301 Cliff Ave., Scranton, Pa. **Underwriter**—Vickers Securities Corp., N. Y. **Offering**—Imminent.

• Marks Polarized Corp.
June 27, 1961 filed 95,000 common shares. **Price** — By amendment. **Proceeds** — For expansion, acquisition of new facilities and other corporate purposes. **Office**—153-16 Tenth Ave., Whitestone, N. Y. **Underwriters**—Ross, Lyon & Co., Inc. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

Marlene Industries Corp. (10/23-27)
Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. **Price**—$7. **Business**—The manufacture of ladies' wear. **Proceeds**—For working capital. **Office**—141 W. 36th St., N.Y.C. **Underwriter**—Bernard M. Kahn & Co., Inc., N.Y.C.

Marshall Industries (10/16-20)
Aug. 4, 1961 filed 131,305 common shares to be offered for subscription by stockholders on the basis of one new share for each four shares held. **Price**—By amendment. **Business** — The manufacture of electronic components and instruments primarily for space and missile applications. **Proceeds**—For repayment of debt and advances to subsidiaries. **Office**—2065 Huntington Dr., San Marino, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., N. Y. (mgr.)

• Master Craft Medical & Industrial Corp.
July 10, 1961 filed ("Reg. A") 75,000 common shares. **Price**—$4. **Business**—The manufacture of medical and industrial plastic devices. **Proceeds**—For general corporate purposes. **Office**—95-01 150th Street, Jamaica 35, N. Y. **Underwriter**—Sulco Securities, Inc., N. Y. C. **Offering**—Imminent.

• McAlester Aircraft, Inc.
Aug. 15, 1961 ("Reg. A") 25,000 class A common shares (par $1). **Price**—$10. **Proceeds**—For research, engineering, production and working capital. **Office**—2801 S. Air Depot Boulevard, Midwest City, Okla. **Underwriter**—Honnold & Co., Inc., Oklahoma City. **Note**—This letter has been withdrawn.

McIntosh (J. R. C.), Inc.
Aug. 22, 1961 ("Reg. A") 150,000 common. **Price**—$2. **Proceeds**—For repayment of loans, tools and equipment, sales promotion and working capital. **Office**—1 McIntosh Lane, El Dorado, Calif. **Underwriters**—Walter C. Gorey Co., San Fran., and Beckman & Co., Inc., Lodi, Calif.

• Medco, Inc. (10/2-6)
July 13, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business—The** operation of jewelry concessions in closed-door membership department stores. **Proceeds**—For expansion. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriters**—Barret, Fitch, North & Co., Inc. (managing) and Midland Securities Co., Inc., Kansas City, Mo.

Meehan-Tooker Co., Inc.
Sept. 8, 1961 filed 100,000 common. **Price**—$5. **Business**—The printing of advertising material, annual reports, booklets etc., by offset lithography. **Proceeds**—For the purchase of a high-speed press, the repayment of debt, establishment of a new department, and working capital. **Office**—170 Varick St., N. Y. **Underwriters**—Harry Odzer Co., N. Y. and Bruno-Lenchner, Inc., Pittsburgh.

★ Mesur-Matic Electronics Corp.
Sept. 5, 1961 ("Reg. A") 120,000 common shares. **Price**—$2. **Business**—The manufacture of electronic measuring and testing equipment. **Address**—Bradford, N. H. **Underwriter**—Hopkins, Calamari & Co., Inc., N. Y.

Metal Bellows Corp.
Sept. 1, 1961 filed 140,000 common, of which 120,000 are to be offered by the company and 20,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of welded diaphragm bellows. **Proceeds**—For moving expenses, equipment, research and development, repayment of debt and working capital. **Office**—27 Mica Lane, Wellesley, Mass. **Underwriter**—Estabrook & Co., Boston.

Met Food Corp.
Aug. 25, 1961 filed 150,000 common. **Price**—$4. **Business**—The distribution of food to retail stores in New York City. **Proceeds**—For general corporate purposes. **Office**—345 Underhill Blvd., Syosset, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N. Y. C. (mgr.)

★ Metropolitan Telecommunications Corp.
Sept. 15, 1961 filed 240,000 common, of which 225,000 will be sold for the company and 15,000 for a stockholder. **Price**—By amendment. **Business**—The manufacture of communications equipment, transformers, filters, relays, etc. **Proceeds**—For the purchase of Grow Solvent Co., Inc., and for working capital. **Office**—Ames Court, Plainview, N. Y. **Underwriters**—M. L. Lee & Co., and Milton Blauner & Co., N. Y.

Micro-Lectric, Inc.
June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). **Price**—$4. **Business**—The manufacture and design of potentiometers used in computers, ground control guidance systems and missiles. **Proceeds**—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. **Office**—19 Debevoise Avenue, Roosevelt, N. Y. **Underwriter**—Underhill Securities Corp., N. Y. **Offering**—Imminent.

• Micro-Precision Corp.
July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). **Price**—$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. **Proceeds**—For expansion and working capital. **Office**—55 Ninth St., Brooklyn, N. Y. **Underwriters** — Manufacturers Securities Corp., New York (managing); Bioren & Co., Boenning & Co., Philadelphia, Chace, Whiteside & Winslow, Inc., Draper, Sears & Co., and Schirmer, Atherton & Co., Boston. **Offering**—Imminent.

• Middle Atlantic Credit Corp. (10/26)
July 27, 1961 filed $120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of $200 of debentures and 100 shares of stock. **Price**—$500 per unit. **Business**—A commercial and industrial finance company. **Proceeds**—For working capital. **Office**—1518 Walnut St., Philadelphia. **Underwriters**—R. L. Scheinman & Co., and A. W. Benkert & Co., Inc., New York.

Middle Atlantic Investment Co. (10/26)
June 22, 1961 filed 70,000 common shares. **Price**—$10. **Business**—An investment company. **Proceeds**—For investment and working capital. **Address**—Elkins Park, Pa. **Underwriter**—Best & Garey Co., Inc., Wash., D. C.

• Midwest Technical Development Corp. (10/2-6)
July 14, 1961 filed 800,000 common shares. **Price**—By amendment. **Business** — A small business investment company. **Proceeds**—For investment. **Office**—2615 First National Bank Bldg., Minneapolis. **Underwriters** — Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

Midwestern Financial Corp.
Aug. 28, 1961 filed 260,000 common, of which 75,000 are to be offered by the company and 185,000 by stockholders. **Price**—By amendment. **Business**—A holding company for savings and loan associations, mortgage companies, a manufacturing company, a small business investment company, etc. **Proceeds**—For repayment of debt. **Office**—2011-13th St., Boulder, Colo. **Underwriters**—Boettcher & Co. and Bosworth, Sullivan & Co., Inc., Denver (co-mgrs.)

Milo Components, Inc.
Aug. 15, 1961 ("Reg. A") 170,000 class A shares (par 10 cents). **Price**—$1. **Business**—The manufacture of precision components, assemblies for aircraft, armaments, computers, floor waxers and industrial vacuum cleaners. **Proceeds** — For equipment, research and development, repayment of loans and working capital. **Office** — 9 Cleveland Street, Valley Stream, N. Y. **Underwriter**—Nelson Securities, Inc., Hempstead, N. Y.

Miner Industries, Inc.
Aug. 10, 1961 filed 120,000 common shares. **Price**—$4.50. **Business**—The manufacture of toys. **Proceeds**—For new products, advertising and working capital. **Office**—430 Southern Boulevard, New York. **Underwriters**—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minuit Investing Corp.
Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par $1). **Price**—$10. **Business**—An investment company. **Proceeds**—For acquisitions, working capital and general corporate purposes. **Office**—225 Broadway, New York 7, N. Y. **Underwriter**—Pine Tree Securities, Inc., N. Y.

Miss Pat
Aug. 31, 1961 filed 100,000 outstanding common. **Price**—By amendment. **Business**—The manufacture of women's apparel. **Proceeds**—For the selling stockholders. **Office**—860 S. Los Angeles St., Los Angeles. **Underwriter**—Mitchum, Jones & Templeton, Los Angeles (mgr.).

• Missile-Tronics Corp. (9/25-29)
May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). **Price**—$1.50 per share. **Business**—The manufacturers of technical equipment. **Proceeds** — For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. **Office**—245 4th St., Passaic, N. J. **Underwriter** — Hopkins, Calamari & Co., Inc., 26 Broadway, N. Y.

Missile Systems Corp.
Sept. 11, 1961 filed 140,000 common, of which 100,000 are to be offered by the company and 40,000 by the stockholders. **Price** — By amendment. **Business** — The manufacture of electro-mechanical assemblies and systems for weapons under government contracts; furnishing data processing and documentation services; the manufacture of multi-color harness and cable assemblies, and the manufacture of commercial lighting equipment. Proceeds—For working capital. **Office**—9025 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—George, O'Neill & Co., Inc., N. Y. (mgr.).

• Missouri Fidelity Life Insurance Co. (9/28)
July 14, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—A life insurance company. **Proceeds**—To be added to capital and surplus accounts. **Office**—4221 Lindell Blvd., St. Louis. **Underwriter**—A. C. Allyn & Co., Chicago (managing). derwriter—Edward D. Jones & Co., St. Louis Mo.

• Mite Corp. (9/22)
June 23, 1961 filed 325,000 capital shares. **Price**—By amendment. **Business**—The manufacture of mechanical, electro-mechanical and electronic equipment, including sewing machine attachments, small electric motors, Polaroid Land cameras, etc. **Proceeds**—For equipment, repayment of loans; research, development and engineering and general corporate purposes. **Office**—446 Blake St., New Haven, Conn. **Underwriters**—Kidder, Peabody & Co., New York and Charles W. Scranton & Co., New Haven, Conn. (managing).

• Mobile Estates, Inc. (10/9-13)
June 27, 1961 filed 140,000 common shares. **Price**—$6. **Proceeds**—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. **Office**—26 Dalbert, Carteret, N. J. **Underwriter**—Harry Odzer Co., New York (managing).

Mohawk Insurance Co.
Aug. 8, 1960, filed 75,000 shares of class A common stock. **Price**—$12 per share. **Proceeds**—For general funds. **Office**—198 Broadway, N. Y. C. **Underwriter**—Meade & Co., N. Y.

Molecular Dielectrics, Inc.
Sept. 1, 1961 filed 150,000 common, of which 135,000 are to be offered by the company and 15,000 by Cardia Co. **Price**—$5. **Business**—The manufacture of high-temperature electronic and electrical insulation materials. **Proceeds**—For equipment, a new product and working capital. **Office**—101 Clifton Blvd., Clifton, N. J. **Underwriters**—Street & Co., Inc. and Irving Weis & Co., N. Y.

Mon-Dak Feed Lot, Inc.
July 17, 1961 filed 150,000 common shares. **Price**—$3. **Business**—The breeding of livestock owned by others. **Proceeds**—For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. **Address**—Glendive, Mont. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp.
Aug. 1, 1961 filed 200,000 shares of capital stock. **Price**—$10. **Business** — A small business investment company. **Office**—First National Bank Bldg., Main St., Freehold, N. J. **Underwriter**—Meade & Co., New York.

Monmouth Electric Co., Inc.
Aug. 28, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by stockholders. **Price**—$6. **Business**—The manufacture of electronic and electro-mechanical equipment. **Proceeds**—For new machinery, repayment of loans and working capital. **Office**—1802 Corliss Ave., Neptune, N. J. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, N. Y. C.

Monticello Lumber & Mfg. Co., Inc.
April 11, 1961 letter of notification) 75,000 of common stock (par 10c). **Price**—$4 per share. **Business**—The sale of lumber, building supplies and hardware. **Proceeds**—To repay loans and for working capital. **Address**—Monticello, N. Y. **Underwriter**—J. Laurence & Co., Inc., New York, N. Y.

• Mortgage Guaranty Insurance Co. (10/9-13)
Oct. 17, 1960 filed 155,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Bache & Co., New York City (managing). **Note**—This stock is not qualified for sale in New York State.

Motor Coils Manufacturing Co.
July 27, 1961 filed 100,000 common shares. **Price**—$6.50. **Business**—The manufacture of armature, stator and field coils. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—110 Thirty-Second St., Pittsburgh. **Underwriter**—Golkin, Bomback & Co., New York.

Movie Star, Inc. (9/25-29)
Aug. 9, 1961 filed 200,000 class A shares. **Price** — By amendment. **Business** — The manufacture of women's clothing. **Proceeds**—For general corporate purposes. **Office**—392 Fifth Avenue, New York. **Underwriter**—Milton D. Blauner & Co., Inc., New York (managing).

• Municipal Investment Trust Fund, First Pa. Series
April 28, 1961 filed $6,375,000 (6,250 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City. **Offering**—Expected in mid-October.

• Municipal Investment Trust Fund, Series B
April 28, 1961 filed $12,750,000 (12,500 units) of interests. **Price** — To be supplied by amendment. **Business** — The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City.

• Murray Magnetics Corp.
Aug. 15, 1961 filed 150,000 common shares. **Price**—$6. **Business**—The financing, exploitation and sale of a new line of electric kitchen and household appliances. **Proceeds**—For the purchase of inventory, sales promotion and working capital. **Office**—230 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., New York.

• NAC Charge Plan and Northern Acceptance Corp.
June 27, 1961 filed 33,334 class A common shares. **Price**—By amendment. **Proceeds**—For working capital. **Office**—16 East Pleasant St., Baltimore, Md. **Underwriter**—Sade & Co., Washington, D. C. (mgr.). **Offering**—Imminent.

Narrow Fabric Co.
Aug. 18, 1961 filed 212,000 common shares, of which 75,000 shares are to be offered by the company and 137,000 shares by stockholders. **Price**—By amendment. **Business** — The manufacture of braided, woven and knitted fabrics and production of coated and processed papers. **Proceeds** — For repayment of loans, expansion and working capital. **Office**—7th and Reading Aves., West Reading, Pa. **Underwriter**—Drexel & Co., Philadelphia (mgr.).

National Bowling Lanes, Inc. (10/16-20)
July 21, 1961 filed 200,000 capital shares. **Price**—$5.50. **Business**—The operation of bowling centers. **Proceeds**—For expansion, repayment of loans, and working capital. **Office** — 220 S. 16th Street, Philadelphia. **Underwriter**—Edward Lewis & Co., Inc., New York.

• National Cleaning Contractors, Inc. (10/2-6)
July 19, 1961 filed 200,000 outstanding common shares. **Price** — By amendment. **Business** — The maintenance of commercial buildings. **Proceeds**—For the selling stockholders. **Office**—60 Madison Avenue, New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

• National Hospital Supply Co., Inc. (10/16-20)
June 22, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The distribtuion of medical supplies. **Proceeds**—For inventory, advertising and promotion, expansion, repayment of loans and working capital. **Office**—38 Park Row, New York. **Underwriters**—Edward Lewis & Co., Inc. and Underhill Securities Corp., New York (co-managers).

• National Industries, Inc.
Aug. 28, 1961 ("Reg. A") 50,000 common. **Price**—$6. **Proceeds** — For equipment, inventory and operating expenses. **Office**—1622 Chestnut St., Philadelphia. **Underwriter**—Mayo & Co., Inc., Philadelphia.

★ National Instrument Laboratories, Inc.
Aug. 29, 1961 ("Reg. A") 100,000 capital shares. **Price**—$3. **Business**—The manufacture of precision instruments. **Office**—828 Evarts St., N. E., Washington 18, D. C. **Underwriter**—Troster, Singer & Co., N. Y.

• National Semiconductor Corp. (10/2-6)
May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds** — For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters**—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.).

National Tel-Tronics Corp.
Sept. 11, 1961 filed 133,000 common. **Price**—$3. **Business**—The manufacture of electronic components. **Proceeds**—For repayment of a loan, expansion, new products, working capital and general corporate purposes. **Office**—52 St. Casimer Ave., Yonkers, N. Y. **Underwriter**—Frank Karasik & Co., Inc., N. Y. (mgr.).

Natpac Inc. (10/25)
July 28, 1961 filed 100,000 common shares. **Price**—$4.75. **Business**—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. **Proceeds**—For consumer time payments, expansion, and working capital. **Office** — 93-25 Rockaway Blvd., Ozone Park, N. Y. **Underwriters**—William, David & Motti, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

★ New England Power Co. (10/25)
Sept. 15, 1961 filed $20,000,000 of first mortgage bonds, series I, due Nov. 1, 1991. **Proceeds**—For the repayment of short-term loans and construction. **Office**—441 Stuart St., Boston. **Underwriter**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp.-Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—Expected Oct. 25 at 11 a.m. (EDST) at the company's office. **Information Meeting**—Oct. 23 at 2 p.m. (EDST) at the company's office.

• New Era Mining Co. (10/2)
July 5, 1961 filed 800,000 common shares. **Price**—50c. **Proceeds**—For equipment, working capital, repayment of debt and reserves. **Office**—9635 W. Colfax Ave., Denver. **Underwriter** — Bullock Securities Co., Cheyenne, Wyo. (mgr.).

New West Land Corp.
June 30, 1961 ("Reg. A") 200,000 common shares (par $1). **Price**—$1.50. **Proceeds**—For repayment of notes and acquisition of real estate interests. **Office**—3252 Broadway, Kansas City, Mo. **Underwriter** — Barret, Fitch, North & Co., Kansas City, Mo.

Nissen Trampoline Co.
May 4, 1961 (letter of notification) 9,400 shares of common stock (par $1). **Price**—At the market. **Proceeds**—For the selling stockholders. **Office**—930 27th Ave., S.W., Cedar Rapids, Iowa. **Underwriter** — Yates, Heitner & Woods, St. Louis, Mo. **Note**—This issue has been temporarily postponed.

Nitrogen Oil Well Service Co.
May 22, 1961 filed 100,000 shares of common stock. **Prices**—$10 per share for 51,000 shares to be offered to Big Three Welding Company; $10 per share for not less than 24,500 shares to be offered to holders (other than Big Three) of the outstanding common on the basis of one new share for each 1⅓ shares held; and $10.60 per any unsubscribed shares. **Business**—The company furnishes high pressure nitrogen to the oil and gas industry. **Proceeds**—For general corporate purposes, including $880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. **Office**—3602 W. 11th St., Houston, Texas. **Underwriter** — Underwood, Neuhaus & Co., Inc., Houston, Texas.

★ North American Acceptance Corp.
Sept. 18, 1961 filed 100,000 common. **Price**—$8.50. **Business**—Automobile retail sales financing. **Proceeds**—For working capital. **Office**—66 East South Water St., Chicago. **Underwriter**—Hornblower & Weeks, N. Y.

North Carolina Natural Gas Corp.
Aug. 17, 1961 filed $2,250,000 of convertible second mortgage pipeline bonds due 1981. **Price** — By amendment. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office** — Grace Fittman Bldg., Fayetteville, N. C. **Underwriters**—To be named.

Northern Indiana Public Service Co. (10/3)
Aug. 28, 1961 filed $20,253,300 of convertible debentures due Oct. 18, 1976 to be offered for subscription by stockholders on the basis of $100 of debentures for each 44 common held of record Sept. 29, with rights to expire Oct. 18. **Price**—At par. **Proceeds**—For working capital and construction. **Office**—5265 Hohman Ave., Hammond, Ind. **Underwriter** — (Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; White, Weld & Co.; Equitable Securities Corp.; Eastman Dillon, Union Securities & Co., Lehman Brothers and Bear, Stearns & Co. (jointly); Dean Witter & Co., Blyth & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Kuhn, Loeb & Co. and American Securities Corp. (jointly). **Bids**—Expected Oct. 3 at 11 a.m. (CDST) at office of Continental Illinois National Bank & Trust Co. (Room 5A), 231 So. La Salle St., Chicago.

Northern Natural Gas Co. (10/17)
Sept. 8, 1961, filed 435,000 common to be offered for subscription by stockholders on the basis of one for each 20 held of record Oct. 17, with rights to expire Oct. 31. **Price**—By amendment. **Proceeds**—For the repayment of debt, and construction. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—Blyth & Co., Inc., N. Y. (mgr.).

• Nuclear Corp. of America (10/16-20)
Aug. 11, 1961 filed 536,280 outstanding shares of capital stock to be offered publicly and $2,087,800 of 5½% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of $100 of debentures for each 300 shares held. **Price**—(Stock) By amendment. (Debentures) At par. **Business**—The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. **Proceeds**—For repayment of loans and working capital. **Office**—3540 W. Osborn Road, Phoenix. **Underwriter** — Bear, Stearns & Co., New York (managing).

★ Nutri-Laboratories, Inc.
Sept. 14, 1961 filed 100,000 common. **Price**—$5. **Business**—The manufacture and distribution of animal foods and dog products. **Proceeds** — For marketing of "Doctor's Choice" brand, working capital and operating expenses. **Office**—1511 K St., N. W., Washington, D. C. **Underwriter**—Hirschel & Co., Silver Spring, Md.

• Occidental Petroleum Corp.
June 29, 1961 filed $3,962,500 of subordinated convertible debentures due 1976 being offered for subscription by common stockholders on the basis of $100 principal amount of debentures for each 100 shares held of record Sept. 15, with rights to expire Oct. 3. **Price**—At par. **Business**—The acquiring and developing of oil and gas properties. **Proceeds**—For exploration and development of oil leases and working capital. **Office**—8255 Beverly Blvd., Los Angeles. **Underwriter**—None.

• Oceanic Instruments, Inc.
Aug. 24, 1961 filed 140,000 common. **Price**—$1. **Business**—The company plans to manufacture scientific marine instruments and provide consultation services. **Proceeds**—For organizational expenses and purchase of equipment. **Office**—1515 Norton Bldg., Seattle. **Underwriter**—Globus, Inc., N. Y. **Offering**—Expected in late October.

• Oklahoma Cement Co.
Sept. 7, 1961 filed $3,000,000 of sinking fund debentures due 1976 (with attached 10-year warrants to purchase 75,000 common). **Price**—By amendment. **Business**—The manufacture of portland cement. **Proceeds**—For construction and working capital. **Office**—First National Bank Bldg., Tulsa, Okla. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y. (mgr.). **Offering** — Expected in mid-November.

Old Empire, Inc. (10/2-6)
May 1, 1961 filed $800,000 of convertible subordinated debentures due 1971. **Price** — At par. **Business** — The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, New York City.

• Olson Co. of Sarasota, Inc. (9/25)
April 26, 1961 ("Reg. A") 59,000 common shares (par $1). **Price**—$5. **Business**—The manufacture of marine supplies and electronic equipment. **Proceeds**—To repay loans, purchase raw materials and equipment and increase working capital. **Address**—P. O. Box 2430, Sarasota, Fla. **Underwriter**—Jay Morton & Co., Inc., Sarasota (mgr.).

Olympia Mines, Inc.
Sept. 1, 1961 filed 300,000 capital shares. **Price**—$1.35. **Business**—The exploration and development of mines. **Proceeds**—For mining operations. **Office**—44 Court St., Brooklyn, N. Y. **Underwriter** — Gaumont Corp., Ltd., Toronto.

Orbit Industries, Inc.
Aug. 22, 1961 filed 125,000 common shares. **Price**—$4. **Business** — Research, development, engineering and manufacturing in the telephone, electronics and related fields. **Proceeds**—For repayment of loans, and equipment. **Office**—213 Mill St., N. E., Vienna, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Orbit Instrument Corp.
Aug. 29, 1961 filed 100,000 capital shares. **Price**—$4. **Business** — The production of miniature precision electromechanical components. **Proceeds**—For new equipment, products, expansion and repayment of loans. **Office**—131 Elaine Way, Syosset, N. Y. **Underwriter**—Hardy & Co., N. Y. C. (mgr.).

• Originala Inc.
Aug. 29, 1961 filed 150,000 common. **Price**—$9.25. **Business**—The manufacture of women's coats. **Proceeds**—For the selling stockholders. **Office**—512 Seventh Ave., N. Y. **Underwriters** — Globus, Inc., and Divine & Fishman, Inc., N. Y. **Offering**—Expected in mid-November.

Orion Electronics Corp.
Aug. 28, 1961 filed 100,000 common. **Price**—$3.50. **Business**—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. **Proceeds**—For expansion, equipment and working capital. **Address**—Tuckahoe, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., N. Y. C.

• Osrow Products Co., Inc. (10/2-6)
July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). **Price**—$5. **Business**—The manufacture of car and window washing equipment. **Proceeds**—For working capital, research and development, new products and general corporate purposes. **Office**—115 Hazel Street, Glen Cove, L. I., N. Y. **Underwriter**—General Securities Co., Inc., New York.

★ Oz Publishing Corp.
Sept. 15, 1961 filed 140,000 common. **Price**—By amendment. **Business** — The design, production and sale of greeting cards. **Proceeds** — For the repayment of debt, installation of additional equipment, modernization of a department and working capital. **Office**—156 Fifth Ave., N. Y. **Underwriter**—Laren Co., N. Y.

• Pacific Gas & Electric Co. (9/26)
Sept. 1, 1961 filed $60,000,000 of first and refunding mortgage bonds series GG due 1993. **Proceeds**—For construction. **Office**—245 Market St., San Francisco. **Underwriters**—(Competitive) Probable bidders: First Boston Corp. and Halsey, Stuart & Co. Inc. (jointly) and Blyth & Co., Inc., N. Y. **Bids**—Sept. 26 11:30 a.m. (EDST).

• Pacific Northwest Bell Telephone Co.
Aug. 25, 1961 filed 17,459,490 outstanding common (par $11) being offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent. Each shareholder of the latter firm was given an assignable warrant evidencing the right to purchase the stock on the basis of one right for each common held and seven rights for each preferred held. The record date is Sept. 20 and the rights expiration date Oct. 20. **Price**—Six rights plus $16 per share. **Business**—The company furnishes telephone service in Washington, Oregon and northern Idaho. **Proceeds**—For the selling stockholder—Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle, Wash. **Underwriter**—None.

★ Pacific Nutrient & Chemical Co.
Sept. 15, 1961 filed 120,000 common. **Price**—$4. **Business**—The manufacture and sale of chemical fertilizers, animal nutrients, crop seeds, insecticides, etc. **Proceeds**—For additional equipment, a new plant and working capital. **Office** — North Oak and Hazel St., Burlington, Wash. **Underwriter**—Joseph Nadler & Co., N. Y.

• Pacific States Steel Corp.
June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. **Price**—$6. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). **Offering**—Indefinitely postponed.

Pakco Management & Development Co.
Aug. 25, 1961 filed 310,000 common. **Price**—$11. **Business**—The large scale production of blueberries, cranberries, etc. **Proceeds**—For repayment of loans, property improvements and general corporate purposes. **Office**—104 Bellevue Ave., Hammonton, N. J. **Underwriter**—Woodcock, Moyer, Fricke & French, Philadelphia (mgr.).

Palmetto Pulp & Paper Corp.
June 28, 1961 filed 1,000,000 common shares. **Price**—$3.45. **Business**—The growth of timber. **Proceeds**—For working capital and the possible purchase of a mill. **Address**—P. O. Box 199, Orangeburg, S. C. **Underwriter**—Stone & Co., N. Y.

• Pan-Alaska Fisheries, Inc.
July 26, 1961 filed 120,000 common shares. **Price** — By amendment. **Business** — The processing of Alaska king crab. **Proceeds**—For acquisition of fishing boats, equip-

Continued on page 54

Continued from page 53

ment and working capital. **Office**—Dexter Horton Bldg., Seattle. **Underwriter**—Robert L. Ferman & Co., Inc., N. Y. (mgr.). **Offering**—Expected early November.

Panoramic Electronics, Inc. (10/2-6)
Aug. 17, 1961 filed 120,000 common shares, of which 90,000 shares are to be offered by the company and 30,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic test measurement and monitoring instruments. **Proceeds**—For acquisition of property and construction of a new plant, laboratory, equipment and working capital. **Office**—520 S. Fulton Ave., Mount Vernon, New York. **Underwriter**—Hayden, Stone & Co., New York (managing).

Paradynamics Inc.
Sept. 5, 1961 ("Reg. A") 100,000 common. **Price**—$3. **Business**—The company will produce micro-wave test equipment and components. **Proceeds**—For equipment, advertising, research and development and working capital. **Office**—Urban Ave., Westbury, N. Y. **Underwriter**—Karen Securities Corp., N. Y.

Paragon Pre-Cut Homes, Inc.
Aug. 25, 1961 filed $1,000,000 of 15-year sinking fund debentures due 1976 (with warrants attached) and 100,000 common to be offered in 10,000 units each consisting of 10 common and $100 of debentures. **Price**—By amendment. **Business**—The packaging and direct sale of precut home building materials. **Proceeds**—For repayment of loans and working capital. **Office**—499 Jericho Turnpike, Mineola, N. Y. **Underwriter**—L. F. Rothschild & Co., N. Y. C. (mgr.).

● Pargas, Inc.
Aug. 3, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business** — The sale of liquified petroleum gas and equipment. **Proceeds**—For general corporate purposes. **Office**—Waldorf, Md. **Underwriter** — Kidder, Peabody & Co., Inc., N. Y. (mgr.). **Offering**—Imminent.

Parish (Amos) & Co., Inc.
June 23, 1961 filed 208,000 outstanding common shares. **Price**—By amendment. **Business**—Business advisors and consultants to specialty and department stores. **Proceeds**—For the selling stockholders. **Office**—500 Fifth Avenue, New York. **Underwriter**—The James Co., New York

● Patent Resources, Inc.
May 24, 1961 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. **Proceeds**—For general corporate purposes. **Office** — 608 Fifth Ave., New York City. **Underwriters**—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

Pavelle Corp. (10/16-20)
Aug. 22, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—Research and development in the field of color photography and the manufacture of commercial color photographic processing equipment. **Proceeds**—For expansion, research and repayment of loans. **Office**—Time & Life Bldg., Rockefeller Center, New York. **Underwriter**—Bear, Stearns & Co., New York.

Pellegrino Aggregate Technico, Inc.
Aug. 10, 1961 filed 130,000 class A common shares. **Price**—$5. **Business**—The manufacture of building materials. **Proceeds**—For payment of income taxes and loans and for working capital. **Office**—Woodbridge-Carteret Road, Port Reading, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York.

★ Perma Research & Development Co.
Sept. 1, 1961 ("Reg. A") 125,000 class B common to be offered for subscription by stockholders on the basis of 40 for each common held. **Price**—$2.40. **Business**—The exploitation of a patent covering an automatic braking device for motor vehicles. **Office**—345 E. Washington St., North Attleboro, Mass. **Underwriter** — Richard C. Spangler, Inc., Pittsburgh.

Photo-Animation, Inc. (10/10)
July 26, 1961 filed 150,000 common shares. **Price**—$1.25. **Business**—The manufacture of machines, equipment and devices used in the creation of animated motion pictures. **Proceeds**—For development of new products, repayment of loans and working capital. **Office** — 34 S. West St., Mount Vernon, N. Y. **Underwriter**—First Philadelphia Corp., New York.

● Photographic Assistance Corp. (9/26)
June 27, 1961 filed 150,000 common shares. **Price**—$1. **Proceeds**—For expansion, equipment and working capital. **Office**—1335 Gordon St., S. W., Atlanta, Ga. **Underwriters**—Globus, Inc., and Harold C. Shore & Co., Inc. N. Y.

Pickwick International, Inc. (10/25)
July 27, 1961 filed 100,000 common shares. **Price** — $3. **Business**—The distribution of phonograph records. **Proceeds**—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. **Office** — 8-16 43rd Ave., Long Island City, N. Y. **Underwriter**—William, David & Motti, Inc., New York.

Pickwick Recreation Center, Inc.
April 21, 1961 (letter of notification) 100,000 shares of common stock (no par). **Price**—$3 per share. **Proceeds**—To pay for construction, working capital and general corporate purposes. **Office**—921-1001 Riverside Drive, Burbank, Calif. **Underwriter**—Fairman & Co., Los Angeles, Calif. **Note**—Offering was indefinitely postponed.

Pictorial Production Inc.
Aug. 29, 1961 filed 149,178 common, of which 25,000 are to be offered by the company and 124,178 by stockholders. **Price**—$10. **Business**—Research, development and production in the field of lenticular optics. **Proceeds**—For construction and equipment. **Office**—60 Kingsbridge Rd., E. Mt. Vernon, N. Y. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C (mgr.).

★ Piedmont Natural Gas Co., Inc.
Sept. 14, 1961 filed 126,832 common to be offered for subscription by stockholders on the basis of one for each 10 held. **Price**—By amendment. **Proceeds**—For expansion. **Office**—523 South Tryon St., Charlotte, N. C. **Underwriter**—White, Weld & Co., N. Y. **Offering**—Expected in late October.

Pioneer Astro Industries, Inc. (10/2-6)
July 27, 1961 filed 150,000 common shares. **Price** — By amendment. **Business** — The manufacture of precision machined components and assemblies for missile guidance systems. **Proceeds** — For a new plant, additional equipment and working capital. **Office**—7401 W. Lawrence Ave., Chicago. **Underwriter**—Francis I. du Pont & Co., New York (managing).

● Pittsburgh Steel Co. (11/2)
Sept. 13, 1961 filed 1,110,617 common to be offered for subscription by stockholders on the basis of 7 for each 10 held of record about Nov. 2 with rights to expire about Nov. 20. **Price**—By amendment. **Proceeds**—For expansion. **Office**—1600 Grant Bldg., Pittsburgh 30, Pa. **Underwriter**—Kuhn, Loeb & Co., Inc., N. Y.

Plasticon Corp. (9/25-29)
May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's $1,200,000 of 5% promissory notes. **Price** — $3 per share, in all cases **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office** — Minneapolis, Minn. **Underwriter**—None.

● Playskool Manufacturing Co. (9/25-29)
Aug. 11, 1961 filed 135,000 common shares, of which 60,000 shares are to be offered by the company and 75,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of toys. **Proceeds**—For repayment of loans. **Office**—3720 North Kedzie Avenue, Chicago. **Underwriter**—Lehman Brothers, New York.

Plymouth Discount Corp.
Aug. 28, 1961 ("Reg. A") 100,000 common. **Price**—$3. **Business**—Consumer sales financing. **Proceeds**—For repayment of notes and working capital. **Office** — 2211 Church Ave., Brooklyn, N. Y. **Underwriter**—M. Posey Associates, Ltd., 50 Broadway, N. Y.

● Polytronic Research, Inc.
June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. **Price**—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. (managing).

● Precision Circuits, Inc.
July 20, 1961 ("Reg. A") 260,000 common shares (par 10 cents). **Price**—$1.15. **Proceeds**—For a new building, equipment and working capital. **Office**—2532-25th Ave., S., Minneapolis. **Underwriter**—Naftalin & Co., Inc., Minneapolis. **Offering**—Expected early October.

Precision Microwave Corp. (10/16-20)
Aug. 21, 1961 filed 165,000 common shares, of which 115,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—$10. **Business**—The manufacture of specialized microwave components for radar, missiles and communication systems. **Proceeds**—For working capital, inventories and equipment. **Office**—Main Street, Millis, Mass. **Underwriter**—Peter Morgan & Co., New York.

Preco Industries, Inc.
Aug. 25, 1961 filed 100,000 common. **Price**—$4. **Business**—The sale of custom built swimming pools. **Proceeds**—For repayment of loans and working capital. **Office**—203 Bala Ave., Bala Cynwyd, Pa. **Underwriter**—Dean Samitas & Co., N. Y. C. (mgr.).

● Premier Albums, Inc.
July 31, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The manufacture of long-playing stereophonic and monaural phonograph records. **Proceeds**—For acquisition of facilities, marketing of new stereophonic records and working capital. **Office**—356 W. 40th St., New York. **Underwriter**—Gianis & Co., N. Y. **Offering**—Expected in mid-October.

President Airlines, Inc.
June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). **Price**—$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office** — 630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

Prevor-Mayrsohn International, Inc.
July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). **Price**—$3.75. **Business**—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. **Proceeds**—For expansion, sales promotion, advances to growers, working capital and general corporate purposes. **Office** — 99 Hudson Street, New York. **Underwriter**—J. J. Krieger & Co., Inc., New York.

Pride Industries, Inc.
Aug. 29, 1961 filed 75,000 common. **Price**—$5. **Business**—The sale of pet foods. **Proceeds**—For inventory, repayment of a loan, machinery, new products, advertising, sales promotion, and working capital. **Office**—4408 Fairmount Ave., Philadelphia. **Underwriter**—Steven Investment Corp., Bala Cynwyd, Pa.

● Producing Properties, Inc.
Aug. 17, 1961 filed 600,000 common shares. **Price**—By amendment. **Business**—The acquisition and operation of oil properties. **Proceeds**—For working capital. **Office**—35th floor Southland Center, Dallas. **Underwriter**—Hemphill, Noyes & Co., N. Y. (mgr.). **Note**—This registration will be withdrawn.

● Product Research of Rhode Island, Inc. (10/2-6)
July 28, 1961 filed 330,000 common shares. **Price**—$2.05. **Business** — The manufacture of vinyl plastic products used in the automotive, marine and household fields. **Proceeds**—For repayment of debt, new equipment and working capital. **Office** — 184 Woonasquatucket Avenue, Nort Providence, R. I. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J. **Offering**—Expected in late October.

Progressitron Corp.
June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—Manufacturers of electronic, electro mechanical and mechanical devices. **Proceeds**—For general corporate purposes. **Office**—14-25 128th St., College Point, N. Y. **Underwriter**—Netherlands Securities Co., New York.

Public Service Co. of Colorado (10/2)
Aug. 25, 1961 filed $30,000,000 of first mortgage bonds due 1991. **Office**—900 15th St., Denver, Colo. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Harriman Ripley & Co., Inc., Eastman Dillon, Union Securities & Co., Merrill Lynch, Pierce, Fenner & Smith Inc., and Dean Witter & Co. (jointly); Kidder, Peabody & Co. and White, Weld & Co. (jointly); Blyth & Co., Inc., and Smith, Barney & Co. (jointly); Lehman Brothers and First Boston Corp. (jointly). **Bids**—Oct. 2, 1961, 11:30 a.m. (EDST) at the office of Morgan Guaranty Trust Co., 54 Liberty St. (6th fl.), N. Y. **Information Meeting**—Sept. 28, 10 a.m. (EDST) at above office of Morgan Guaranty Trust Co. (Mezzanine B).

Publishers Co., Inc.
Aug. 29, 1961 filed $1,200,000 of 6% subordinated convertible debentures due 1967. **Price**—At par. **Business**—The publishing of books. **Proceeds**—For redemption of outstanding 12% debentures due 1965 and for expansion. **Office**—1106 Connecticut Ave., N.W., Washington, D.C. **Underwriter**—Roth & Co., Inc., Philadelphia.

● Publishers Vending Services, Inc.
July 3, 1961 filed $600,000 of 5½% convertible subordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at $7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at $10 per share. The securities are to be offered for public sale in units of one $100 debenture, 20 first warrants and 20 second warrants. **Price**—$100 per unit. **Business**—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. **Proceeds**—For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. **Office**—1201 South Clover Drive, Minneapolis. **Underwriter**—D. H. Blair & Co., New York.

★ Puerto Rico Capital Corp.
Sept. 13, 1961 filed 750,000 common. **Price**—$10. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Address**—San Juan, Puerto Rico. **Underwriter**—Hill, Darlington & Grimm, N. Y. (mgr.).

● Rabin-Winters Corp.
June 19, 1961 filed 180,000 common shares of which 80,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufactuer of pharmaceuticals, cosmetics, lighter fluid and related items. **Proceeds**—To repay loans and for working capital. **Office**—700 N. Sepulveda Blvd., El Segundo, Calif. **Underwriter** — To be named.

Ragen Precision Industries, Inc.
Aug. 31, 1961 filed 100,000 common. **Price**—By amendment. **Business** — The manufacture of precision parts, components, assemblies and subassemblies for the business machine, electronic and aircraft industries. **Proceeds**—For equipment, repayment of loans and general corporate purposes. **Office**—9 Porette Ave., North Arlington, N.J. **Underwriter**—Marron, Sloss & Co., Inc., N.Y. (mgr.).

● Raymond Engineering Laboratory, Inc. (9/25-29)
Aug. 15, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. **Proceeds**—For repayment of loans, equipment, and working capital. **Office**—Smith Street, Middletown, Conn. **Underwriter** — Lee Higginson Corp., New York (mgr.).

● Real Properties Corp. of America
July 25, 1961 filed 365,000 class A shares. **Price**—$10. **Business**—A real estate investment company. **Office**—1451 Broadway, New York. **Underwriter**—Stanley Heller & Co., N. Y. C. (mgr.). **Offering**—Expected early Oct.

Realtone Electronics Corp. (11/13-17)
Aug. 16, 1961 filed 100,000 common shares. **Price**—$4. **Business** — The marketing of transistorized radios and related equipment. **Proceeds**—Repayment of loans and general corporate purposes. **Office**—71 Fifth Ave., New York. **Underwriter** — Lieberbaum & Co., New York (mgr.). **Offering**—Expected in early October.

• Recreation Associates, Inc.
Aug. 14, 1961 filed 100,000 class A common. **Price**—$3. **Business**—The operation of a bowling center. **Proceeds**—For working capital. **Office**—8905 Columbia Pike, Falls Church, Va. **Underwriter**—None.

Red Rope Stationery Industries, Inc.
Aug. 23, 1961 filed 160,000 common. **Price**—$3.50. **Business**—The manufacture of stationery supplies. **Proceeds**—For working capital, equipment, expansion and repayment of debt. **Office**—70 Washington St., Brooklyn, N. Y. **Underwriter**—George, O'Neill & Co., Inc., N. Y. (mgr.).

Red Wing Fiberglass Products, Inc.
July 28, 1961 ("Reg. A") 260,000 common shares (par 25 cents). **Price**—$1.15. **Proceeds**—For repayment of debt, building improvements, equipment, research and development, and working capital. **Office**—Industrial Park, Red Wing, Minn. **Underwriter**—York & Mavroulis, Minn.

Redman Manufacturing & Engineering Co.
Aug. 9, 1961 filed 70,000 common shares, of which 35,000 shares are to be offered by the company and 35,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of moulds used by the plastic and container and packaging industry. **Proceeds**—For repayment of loans, equipment, working capital and a new plant. **Office**—1630 Oakland, Kansas City, Mo. **Underwriter**—Stern Brothers & Co., Kansas City, Mo. (mgr.)

• Reeves Broadcasting & Development Corp.
June 16, 1961 filed $2,500,000 of convertible debentures. **Price**—At par. **Business**—The operation of TV stations and recording studios and the development of real estate properties in North Carolina. **Proceeds**—For expansion, the repayment of loans, for working capital and other corporate purposes. **Office**—304 E 44th St., New York **Underwriter**—Laird & Co.,Corp.,Wilmington, Del. (mgr.)

Regal Homes, Inc.
Aug. 15, 1961 filed 51,000 capital shares. **Price**—$12. **Business**—For construction and sale of "shell" homes and mortgage financing. **Proceeds**—For working capital. **Address**—Hopkinsville, Ky. **Underwriter**—J. J. B. Hilliard & Sons, Louisville.

• Reher Simmons Research Inc.
May 8, 1961 filed 150,000 shares of capital stock. **Price**—$6 per share. **Business**—The research and development of processes in the field of surface and biochemistry **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co. (mgr.). **Offering**—Expected in November.

• Rexach Construction Co., Inc.
July 28, 1961 filed $1,500,000 of 6½% sinking fund debentures (with warrants) due 1976 and 105,000 outstanding common shares. **Price**—By amendment. **Business**—The construction of highways, buildings and homes. **Proceeds**—For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. **Address**—San Juan, Puerto Rico. **Underwriters** — P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (mgr.). **Offering**—Expected mid-October.

Riverview ASC, Inc. (10/2-6)
May 18, 1961 ("Reg. A") 100,000 common shares. **Price**—$3. **Business**—Real estate and utility development in Florida. **Proceeds** — For expansion. **Office** — 2823 So. Washington Ave., Titusville, Fla. **Underwriter**—Albion Securities Co., Inc., New York.

Ro Ko, Inc. (10/16)
Aug. 7, 1961 filed 120,000 class A common shares. **Price**—$5. **Business**—The manufacture of stuffed toys. **Proceeds**—For down payments on the purchase of buildings, equipment and expansion. **Office**—3115 E. 12th St., Kansas City, Mo. **Underwriters**—Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (mgr.)

• Robins Industries Corp.
July 27, 1961 filed 100,000 common shares. **Price**—$2.50. **Business**—The manufacture of products in the electronic sound and recording field. **Proceeds**—For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. **Office** — 36-27 Prince St., Flushing, N.Y. **Underwriter**—Carroll Co., N.Y. **Offering**—Expected early October.

• Rodney Metals, Inc. (10/16-20)
June 30, 1961 filed 140,000 common shares. **Price**—$10. **Proceeds** — For the repayment of debt and other corporate purposes. **Office**—261 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., N. Y. (mgr.)

Roph Associates, Inc.
Aug. 10, 1961 ("Reg. A") 75,000 common shares (par five cents). **Price**—$4. **Business**—The sale of freezers and food plans. **Proceeds**—For inventory, a food dept, advertising and promotion and general corporate purposes. **Office**—300 Northern Boulevard, Great Neck, N. Y. **Underwriter**—David Barnes & Co., Inc., New York.

• Ross Products, Inc.
July 14, 1961 filed 200,000 common shares, of which 100,000 shares are to be offered by the company and 100,000 shares by the stockholders. **Price**—By amendment. **Business**—The importing and distributing of general merchandise. **Proceeds**—For repayment of debt, expansion and general corporate purposes. **Office**—1107 Broadway, New York. **Underwriters**—Blair & Co. and F. L. Rossman & Co., N. Y. **Offering**—Imminent.

Royal Land & Development Corp. (11/13-17)
Aug. 2, 1961 filed 2,000,000 class A common shares. **Price**—$1. **Business** — General real estate and construction. **Proceeds**—For construction and general corporate purposes. **Office**—400 Stanley Ave., Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., New York (managing).

★ Rozilda Laboratories, Inc.
Sept. 18, 1961 filed 90,000 class A capital shares. **Price**—$3. **Business**—The manufacture and sale of organic chemicals to industrial and commercial users. **Proceeds**—For expansion and working capital. **Office**—814 Madison St., Hoboken, N. J. **Underwriters**—State Securities Corp., Washington, D. C. and Bayes, Rose & Co., N. Y.

S. O. S. Photo-Cine-Optics, Inc.
June 29, 1961 filed $50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of $10 of debentures and 10 common shares. **Price**—$40 per unit. **Business**—The manufacturing, renting and distributing of motion picture and television production equipment. **Proceeds**—For new equipment, advertising, research and development, working capital and other corporate purposes. **Office**—602 W. 52nd St., New York. **Underwriter** — William, David & Motti, Inc., New York. **Offering**—Sometime in October.

Sav-Mor Oil Corp. (10/16)
July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). **Price**—$2.50. **Business**—Wholesale distribution of gasoline and oil to service stations. **Proceeds**—For expansion. **Office**—151 Birchwood Park Dr., Jericho, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York.

• Save-Tax Club, Inc.
July 6, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$2. **Business**—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. **Proceeds**—For salaries to salesmen, advertising, public relations, additional employees, and working capital. **Office**—135 W. 52nd St., New York. **Underwriter**—B. G. Harris & Co., Inc., N. Y. **Offering**—Expected early October.

Saxton Products, Inc.
Aug. 28, 1961 ("Reg. A") 80,000 common. **Price**—$3.75. **Business**—The manufacture of wires and cables. **Proceeds**—For repayment of indebtedness, equipment, advertising, inventory and general corporate purposes. **Office**—4320-26 Park Ave., Bronx 57, N. Y. **Underwriter**—Stern, Zeiff & Co., Inc., N. Y.

★ Seashore Food Products, Inc.
Aug. 29, 1961 ("Reg. A") 75,000 common. **Price** — $4. **Business**—The manufacturing and processing of assorted food products. **Office**—13480 Cairo Lane, Opa Locka, Fla. **Underwriter**—Ehrlich, Irwin & Co., Inc., N. Y.

• Second Financial, Inc. (9/22)
June 20, 1961 filed 100,000 common shares. **Price**—$3. **Business** — The purchase of notes, mortgages, contracts, etc., from Shell Home Builders. **Proceeds**—For investment. **Office**—2740 Apple Valley Road, N. E., Atlanta, Ga. **Underwriter**—Globus, Inc., New York.

★ Securities Acceptance Corp.
Aug. 29, 1961 ("Reg. A") 10,000 shares of 5% cumulative. **Price**—At par ($25). **Business**—A consumer finance company. **Office**—304 S. 18th St., Omaha. **Underwriters**—First Trust Co. of Lincoln, Neb., Storz-Wachob-Bender Co., Omaha and Cruttenden, Podesta & Co., Chicago.

Seeburg Corp. (9/28)
Aug. 18, 1961 filed 303,812 common shares to be offered for subscription by stockholders on the basis of one new share for each five shares held. **Price**—By amendment. **Business** — The manufacture of coin-operated phonographs and other vending equipment. **Proceeds**—For repayment of loans and the financing of receivables and inventories. **Office**—1500 N. Dayton St., Chicago. **Underwriter**—White, Weld & Co., New York (managing).

Semicon, Inc. (10/2-6)
June 30, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The manufacture of semiconductor devices for military, industrial and commercial use. **Proceeds**—For equipment, plant expansion and new products. **Address**—Sweetwater Avenue, Bedford, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing).

★ Share Shoe Corp.
Sept. 18, 1961 filed 225,000 common. **Price**—By amendment. **Business**—The manufacture and sale of women's shoes. **Proceeds**—For the selling stockholders. **Office**—Canal and Dow St., Manchester, N. H. **Underwriter**—Dean Witter & Co., San Francisco.

Shasta Minerals & Chemical Co. (10/2)
April 24, 1961 filed 500,000 shares of common stock. **Price**—$2.50 per share. **Business**—Acquisition, development, and exploration of mining properties. **Proceeds**—For general corporate purposes. **Office** — 1406 Walker Bank Bldg., Salt Lake City, Utah. **Underwriter**—None.

Shaw-Barton, Inc.
Aug. 15, 1961 filed 100,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of calendars and specialty advertising. **Proceeds**—For the selling stockholders. **Address**—Coshocton, Ohio. **Underwriter**—Cruttenden, Podesta & Co., Chicago (mgr.).

Shelley Urethane Industries, Inc.
May 24, 1961 filed 200,000 shares of common stock. **Price** To be supplied by amendment. **Business**—The manufacture, converting and distribution of urethane foam products to industry. **Proceeds** — For expansion, new equipment, repayment of debt, and working capital. **Office**—4542 East Dunham St., City of Commerce, Calif. **Underwriter** — Garat & Polonitza, Inc., Los Angeles (managing). **Note**—This company plans to change its name to Urethane Industries International Inc. **Offering**—Expected in October.

★ Siconor Mines Ltd.
Sept. 18, 1961 filed 250,000 common. **Price**—By amendment. **Business**—The exploratory search for silver in northern Ontario. **Proceeds**—For general corporate purposes. **Office**—62 Richmond St., West, Toronto, Canada. **Underwriter**—None.

Sierra Capital Co.
Sept. 5, 1961 filed 1,000,000 capital shares. **Price** — By amendment. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—105 Montgomery St., San Francisco. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y.

Site-Fab, Inc.
Aug. 21, 1961 ("Reg. A") 100,000 common (par 10c). **Price**—$3. **Proceeds**—For purchase and improvement of land, promotion and development and working capital. **Office**—901 Market St., Wilmington, Del. **Underwriter**—H. P. Black & Co., Inc., Washington, D. C.

Small Business Investment Co. of New York, Inc.
Aug. 22, 1961 filed 875,000 common shares. **Price**—By amendment. **Business** — A small business investment company. **Proceeds**—For investment in and loans to small business. **Office**—40 Beaver St., Albany, N. Y. **Underwriter**—Dillon, Read & Co., Inc., New York.

Southern Diversified Industries, Inc.
Aug. 8, 1961 filed 250,000 common shares. **Price**—$5.50. **Business** — The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. **Proceeds**—For repayment of debt, purchase of merchandise and operating expenses. **Office** — 3690 Northwest 62nd St., Miami, Fla. **Underwriter** — Netherlands Securities Co., Inc., New York.

Southern Growth Industries, Inc.
June 28, 1961 filed 100,000 common shares. **Price**—$6. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Poinsett Hotel Building, Greenville, S. C. **Underwriter**—Capital Securities Corp., Greenville, S. C.

• Southern Realty & Utilities Corp. (9/25-29)
May 26, 1961 filed $3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of $500 of debentures and warrants for five common shares. **Price**—At 100% of principal amount. **Business**—The development of unimproved land in Florida. **Proceeds**—For the repayment of debt, the development of property, working capital and other corporate purposes. **Office**—1674 Meridian Avenue, Miami Beach, Fla. **Underwriters** — Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

★ Southern Syndicate, Inc.
Sept. 13, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Real estate investment. **Proceeds**—For repayment of loans and working capital. **Office**—2501 Bank of Georgia Bldg., Atlanta. **Underwriter**—Johnson, Lane, Space Corp., Savannah.

Southwestern Research & Development Co. (10/10)
Aug. 28, 1961 filed 600,000 common. **Price**—$10. **Business** — A business investment company. **Proceeds** — for investments. **Office**—1101 N. First St., Phoenix. **Underwriter**—Wilson, Johnson & Higgins, San Francisco (mgr).

★ Space Age Materials Corp. (SAMCO)
Sept. 19, 1961 ("Reg. A") 100,000 common. **Price**—$3. **Business**—The manufacture of high temperature materials for the space, nuclear and missile fields, and components used in the communications field. **Proceeds**—For equipment, research and development, and working capital. **Office**—31-26 Greenpoint Avenue, Long Island City, N. Y. **Underwriter**—Manufacturers Securities Corp., New York.

Spectron, Inc. (9/25-29)
June 9, 1961 filed 83,750 class A common shares (par 10 cents). **Price**—$4.50. **Business**—The design, development and manufacture of electronic systems, instruments and equipment, including microwave, radar and underwater communication devices. **Proceeds** — For purchase of equipment, plant expansion, patent development and general corporate purposes. **Office**—812 Ainsley Bldg., Miami, Fla. **Underwriter**—Hampstead Investing Corp., New York (managing).

Star Homes, Inc.
June 28, 1961 filed $500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of $50 of debentures and 20 common shares. **Price**—$100 per unit. **Business**—The construction and sale of shell homes. **Proceeds**—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. **Office**—336 S. Salisbury Street, Raleigh, N. C. **Underwriter**—D. E. Liederman & Co., Inc., New York (managing).

• Star Industries, Inc. (10/16-20)
Aug. 23, 1961 filed 415,576 class A, of which 103,894 are to be offered by the company and 311,682 by stockholders. **Price**—By amendment. **Business**—A wholesale liquor distributor. **Proceeds**—For repayment of loans and working capital. **Office**—31-10 48th Ave., Long Island City, N. Y. **Underwriters**—Lee Higginson Corp. and H. Hentz & Co. (co-mgrs.).

• Sterile Medical Products, Inc.
Aug. 29, 1961 ("Reg. A") 120,000 common. **Price**—$2.50. **Business**—The manufacture and sharpening of scalpels. **Proceeds**—For expansion and the manufacture of scalpels. **Office**—434 Buckelew Ave., Jamesburg, N. J. **Underwriter**—Louis R. Dreyling & Co., Inc., New Brunswick, N. J.

• Sterling Electronics, Inc. (10/2-6)
July 24, 1961 filed 125,200 common shares, of which 82,000 shares are to be offered by the company and 43,200 shares by stockholders. **Business**—The distribution of electronic parts and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—1616 McKinley, Houston, Texas. **Underwriter**—S. D. Fuller & Co., New York (managing).

Sterling Extruder Corp.
Sept. 12, 1961 filed 90,000 common, of which 20,000 are to be offered by the company and 70,000 by the stock-

Continued on page 56

Continued from page 55

holders. **Price**—By amendment. **Business**—The manufacture of plastic extrusion machinery and auxiliary equipment. **Proceeds**—For working capital. **Office**—1537 W. Elizabeth Ave., Linden, N. J. **Underwriter** — Marron, Sloss & Co., N. Y.

Sterling Seal Co.
Aug. 2, 1961 filed 112,300 common shares of which 20,000 shares are to be offered by the company and 92,300 shares by the stockholders. **Price**—By amendment. **Business**—The design, lithographing and stamping of metal caps or closures for containers. **Proceeds**—For working capital. **Office**—316 W. 16th St., Erie, Pa. **Underwriters**—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., New York (managing).

Stouffer Corp.
Sept. 8, 1961 filed $7,500,000 of convertible subordinated debentures due Oct. 1, 1981. **Price** — By amendment. **Business**—The operation of a restaurant chain, the sale of frozen prepared foods and the furnishing of management food service to large organizations. **Proceeds**—For the prepayment of debt, expansion, and working capital. **Office**—1375 Euclid Ave., Cleveland. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y., and Fulton, Reid & Co., Inc., Cleveland. **Note**—The company plans to change its name to Stouffer Foods Corp., in early October.

Superior Industries Corp.
Aug. 29, 1961 filed 125,000 common. **Price**—$4. **Business**—The manufacture of folding pool tables, table tennis tables and related accessories. **Proceeds** — For general corporate purposes. **Office**—520 Coster St., Bronx, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N.Y. (mgr.).

● Supronics Corp. (10/16-20)
May 29, 1961 filed 90,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company is engaged in the distribution of wholesale electrical equipment and supplies. **Proceeds** — For the repayment of bank loans and other corporate purposes. **Office**—224 Washington St., Perth Amboy, N. J. **Underwriters**—Amos Treat & Co., Inc., and Standard Securities Corp., both of New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Susan Crane Packaging, Inc.
Aug. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The manufacture of gift wrap, packaging materials and greeting cards. **Proceeds**—For repayment of loans, expansion, working capital and general corporate purposes. **Office**—8107 Chancellor Row, Dallas. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C.

★ Swift Homes, Inc.
Sept. 15, 1961 filed 240,000 common, of which 80,000 will be sold by the company and 160,000 by stockholders. **Price**—By amendment. **Business**—The manufacture, sale and financing of factory-built homes. **Proceeds**—To expand credit sales and open new sales offices. **Address**—1 Chicago Ave., Elizabeth, Pa. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Swingline Inc.
June 14, 1961 filed 200,000 outstanding class A common shares. **Price**—By amendment. **Business**—The manufacture of stapling machines. **Proceeds** — For the selling stockholders. **Office**—32-00 Skillman Ave., Long Island City, New York. **Underwriter**—Paine, Webber, Jackson & Curtis, New York (mgr.). **Offering**—Sometime in Oct.

● Taddeo Construction & Leasing Corp.
March 31, 1961 filed 320,000 common. **Price**—$5. **Business**—The construction of bowling centers. **Proceeds**—For construction and working capital. **Office**—873 Merchants Rd., Rochester, N. Y. **Underwriters**—N. A. Hart & Co., and Darius, Inc. (co-mgrs.). **Note**—This company was formerly named Taddeo Bowling & Leasing Corp.

Tasty Baking Co.
Aug. 31, 1961 filed 100,000 class A common (non-voting). **Price**—By amendment. **Business**—The manufacture of packaged bakery products. **Proceeds** — For the selling stockholders. **Office**—2801 Hunting Park Ave., Philadelphia. **Underwriter**—Drexel & Co., Philadelphia.

Tax-Exempt Public Bond Trust Fund, Series 2
Feb. 23, 1961 filed $10,000,000 (100,000 units) ownership certificates. **Price**—To be filed by amendment. **Business**—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. **Proceeds** — For investment. **Office** — 135 South La Salle Street, Chicago. **Sponsor**—John Nuveen & Co., Chicago.

★ Tech-Aerofoam Products, Inc.
Sept. 7, 1961 ("Reg. A") 100,000 common. **Price** — $3. **Business**—The purchasing and fabricating of foam rubber products. **Office**—5601 N. W. 35th Ave., Miami, Fla. **Underwriter**—Cacchione & Smith, Inc., N. Y.

Technifoam Corp. (10/2-6)
Aug. 14, 1961 filed 110,000 common shares. **Price**—$8. **Business**—The manufacture of machinery for producing polyurethane foam. **Proceeds**—For repayment of loans, equipment, foreign investments and working capital. **Office** — 717 Fifth Avenue, New York. **Underwriter** — Stearns & Co., N. Y. (mgr.).

Techno-Vending Corp. (9/29)
June 9, 1961 ("Reg. A") 100,000 class A common shares (par one cent). **Price**—$3. **Business**—The manufacture of coin-operated vending machines. **Proceeds**—For repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. **Office**—599 Tenth Avenue, New York. **Underwriter**—International Services Corp., Paterson, N. J.

● Telecredit, Inc.
July 24, 1961 filed 155,000 common shares. **Price**—$1. **Business**—The development of high-speed electronic data processing systems. **Proceeds**—For organizational expenses, establishment of service centers and reserves. **Office**—100 W. 10th Street, Wilmington, Del. **Underwriter**—Globus, Inc., N. Y. (mgr.). **Offering**—Expected in late October.

● TelePrompTer Corp. (10/2-6)
July 6, 1961 filed $5,000,000 of convertible subordinated debentures due 1976. **Price**—By amendment. **Business**—The manufacture of communication systems and equipment. **Proceeds**—For repayment of loans and working capital. **Office**—50 W. 44th St., New York. **Underwriter**—Bear, Stearns & Co., New York (managing).

Teleregister Corp.
Sept. 1, 1961 filed 280,000 common. **Price**—By amendment. **Business**—The furnishing of data processing, dissemination and display services. **Proceeds**—For the selling stockholders. **Office**—445 Fairfield Ave., Stamford. **Underwriter**—Ladenburg, Thalmann & Co., N. Y. (mgr.).

● Televiso Corp.
Aug. 8, 1961 filed 97,400 common shares, of which 60,000 shares are to be offered by the company and 37,400 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic and electro-mechanical apparatus used as ground to air aids to aircraft navigation. **Proceeds**—For repayment of loans, purchase of a plant and working capital. **Office** — Wheeling & Exchange Roads, Wheeling, Ill. **Underwriter**—Kalman & Co., St. Paul (mgr.). **Note**—This registration was withdrawn.

● Templet Industries Inc.
June 2, 1961 ("Reg. A") 100,000 common shares (par 25 cents). **Price**—$3. **Business**—Licenses patents to diemakers and metal parts manufacturers. **Proceeds**—For working capital and general corporate purposes. **Office**—701 Atkins Ave., Brooklyn 8, N. Y. **Underwriter**—Levien, Greenwald & Co., N. Y. **Offering**—Imminent.

● Terry Industries, Inc. (9/25)
Feb. 28, 1961 filed 1,728,337 shares of common stock of which 557,333 shares are to be offered for the account of the issuing company and 1,171,004 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—For the company's shares, to be related to A.S.E. prices at time of the offering. For the stockholders' shares, the price will be supplied by amendment. **Business** — The company, formerly Sentry Corp., is primarily a general contractor for heavy construction projects. **Proceeds**—The proceeds of the first 12,000 shares will go to Netherlands Trading Co. The balance of the proceeds will be used to pay past due legal and accounting bills, to reduce current indebtedness, and for working capital. **Office**—11-11 34th Ave., Long Island City, L. I., N. Y. **Underwriter** — (For the company's shares only) Greenfield & Co., Inc., N. Y. C.

Texas Gas Producing Co.
Sept. 5, 1961 filed $315,000 of 5½% subordinated convertible debentures due 1973 and 10,500 common to be offered in units of $90 of debentures and three common shares. **Price**—By amendment. **Business**—The production of crude oil and natural gas. **Proceeds**—For repayment of notes, working capital and general corporate purposes. **Office**—731 Meadows Bldg., Dallas. **Underwriter**—Equitable Securities Corp., Nashville.

● Theil Publication, Inc. (10/2-6)
July 25, 1961 filed 110,000 common shares. **Price**—$3. **Business**—The writing and producing of technical material for industry and Department of Defense. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1200 Hempstead Turnpike, Franklin Sq., L. I., N. Y. **Underwriter**—Carter, Berlind, Potoma & Weill, N. Y.

● Thermionix Industries Corp.
July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). **Price**—$2. **Business**—The manufacture of a flexible heating tape. **Proceeds**—For construction of a machine, research and development, sales engineering and working capital. **Office** — 500 Edgewood Avenue, Trenton, N. J. **Underwriter**—D. L. Capas Co., New York. **Offering**—Imminent.

● Thermo-Chem Corp. (10/23-27)
June 14, 1961 filed 130,000 common shares. **Price**—$4.50. **Business**—The manufacture of coatings for fabrics. **Proceeds**—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. **Office** — Noeland Ave., Penndel, Pa. **Underwriter**—Best & Garey Co., Inc., Washington, D. C.

● Thermotronics Corp., Inc.
July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—Research and development of electronic and electrical devices, principally an electronic water heater. **Proceeds**—For raw materials, plant and equipment, advertising research and development and working capital. **Office**—27 Jericho Turnpike, Mineola, L. I., N. Y. **Underwriter**—J. B. Coburn Associates, Inc., N. Y. **Offering**—Expected early October.

● Thoroughbred Enterprises, Inc.
June 2, 1961 filed 85,000 common shares. **Price**—$4. **Business** — The breeding of thoroughbred race horses. **Proceeds**—To purchase land, build a stable, and buy additional horses. **Office**—8000 Biscayne Blvd., Miami, Fla. **Underwriter**—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thurow Electronics, Inc.
July 20, 1961 ("Reg. A") 41,500 class A common shares (par $2.50) and 83,000 class B common shares (par $1) to be offered in units consisting of one class A and two class B common shares. **Price**—By amendment. **Proceeds**—For repayment of loans and inventory. **Office** — 121 S. Water St., Tampa. **Underwriter** — Miller Securities Corp., Atlanta, Ga.

● Tor Education, Inc. (9/25-29)
July 28, 1961 filed 100,000 capital shares. **Price** — By amendment. **Business**—The production of self instructional courses and devices. **Proceeds**—For purchase of equipment, new products and other corporate purposes. **Office**—65 Prospect St., Stamford, Conn. **Underwriter**—F. L. Rossman & Co., New York (managing).

Tower Communications Co.
Aug. 24, 1961 filed 125,000 common. **Price**—By amendment. **Business**—The design, manufacture and erection of communications towers. **Proceeds** — For repayment of debt and working capital. **Office** — 2700 Hawkeye Dr., Sioux City, Iowa. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Transcontinental Investing Corp. (10/23-27)
Aug. 25, 1961 filed $10,000,000 of 6½% convertible subordinated debentures due 1981. **Price**—By amendment. **Business** — The operation of hotels, motels, apartment buildings and a small business investment company. **Office**—375 Park Ave., N. Y. C. **Underwriter**—Lee Higginson Corp., N. Y. C. (mgr.).

Transcontinental Investment Co.
March 15, 1961 (letter of notification) 120,000 shares of common stock (par $1). **Price**—$2.50 per share. **Proceeds**—For advances to subsidiaries. **Office**—278 S. Main Street, Salt Lake City, Utah. **Underwriter**—Continental Securities Corp., 627 Continental Bank Building, Salt Lake City, Utah.

● Trans-Lux Corp. (11/6-10)
Aug. 31, 1961 filed 250,000 common, of which 150,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of news ticker projection equipment. **Proceeds** — For expansion, repayment of loans, new equipment and general corporate purposes. **Office**—625 Madison Ave., N. Y. **Underwriter** — Bear, Stearns & Co., N. Y. (mgr.).

● Transvision Electronics, Inc. (9/25)
June 29, 1961 filed 140,000 common shares. **Price**—By amendment. **Business**—The manufacture of specialized TV equipment. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—460 North Avenue, New Rochelle, N. Y. **Underwriter**—Adams & Peck, N. Y.

● Tri-Chem, Inc.
Aug. 16, 1961 filed $350,000 of sinking fund debentures, 6½% series due 1976 and 140,000 common shares to be offered in units consisting of $100 of debentures and 40 common shares. **Price**—By amendment. **Business**—The manufacture of paints for hobbyists. **Proceeds**—For repayment of bank loans and working capital. **Office**—82 Main St., West Orange, N. J. **Underwriter**—P. W. Brooks & Co., Inc., N. Y. (mgr.). **Offering**—Expected late Oct.

● Tri Metal Works, Inc. (9/25-29)
June 29, 1961 filed 68,000 outstanding common shares to be offered by the stockholders. **Price**—At the market. **Business** — The designing, converting and equipping trucks used in sale of ice cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. **Proceeds**—For the selling stockholders. **Office**—Bennard & Warrington Sts., East Riverton, N. J. **Underwriter**—R. L. Scheinman & Co., N. Y. C.

Tri-State Displays, Inc.
July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). **Price**—$1.15. **Proceeds**—For working capital. **Office**—1221 Glenwood Ave., Minneapolis. **Underwriter**—Naftalin & Co., Minneapolis.

Tropical Gas Co., Inc.
Sept. 8, 1961 filed 135,000 common, to be offered for subscription by stockholders on the basis of one share for each six common held. **Price** — By amendment. **Proceeds**—For the repayment of debt, and working capital. **Office**—2151 Le Jeune Rd., Coral Gables, Fla. **Underwriter**—Glore, Forgan & Co., N. Y. (mgr.).

True Taste Corp.
Aug. 18, 1961 filed 200,000 common shares. **Price**—$5. **Business** — The installation and operation of plant to process frozen concentrated juices in bulk. **Proceeds**—For installation of equipment and working capital. **Office**—1206 Tower Petroleum Bldg., Dallas. **Underwriter**—Dallas Rupe & Son, Inc., Dallas (managing).

● Turbodyne Corp.
May 10, 1961 filed 200,000 shares of common stock. **Price**—$2 per share. **Business** — The research, development, manufacturing and marketing of space and rocket engines, and related activities. **Proceeds**—For research and development, and working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter**—To be named.

★ Ultra Plastics Inc.
Sept. 19, 1961 filed 150,000 class A common. **Price**—$4. **Business**—The manufacture of outdoor plastic signs and urethane foam. **Proceeds**—For equipment, repayment of debt, inventory, additional personnel, advertising and working capital. **Underwriter**—Amos Treat & Co., N. Y.

Union Rock & Materials Corp. (10/19)
Aug. 22, 1961 filed 160,000 common. **Price**—By amendment. **Business**—The company is engaged in the paving of roads and the sale of sand, crushed rock and transit-mix concrete. **Proceeds**—For the selling stockholders. **Office**—2800 S. Central Ave., Phoenix, Ariz. **Underwriter**—William R. Staats & Co., Los Angeles (mgr.).

United Improvement & Investing Corp.
Aug. 18, 1961 filed $2,500,000 of 6% convertible subordinated debentures due 1976 to be offered for subscription by holders of common stock and series A warrants on the basis of $100 of debentures for each 70 shares held. **Price**—By amendment. **Business**—General real estate. **Proceeds**—For general corporate purposes. **Office**—25 W. 43rd St., New York. **Underwriter**—Sutro Bros. & Co., New York (managing).

United Nuclear Corp.
Aug. 28, 1961 filed 325,000 common, of which 100,000 are to be offered by the company and 225,000 by stockholders.. **Price** — By amendment. **Business** — Development and research in the nuclear field. **Proceeds**—For working capital and general corporate purposes. **Office**—365 Winchester Ave., New Haven, Conn. **Underwriter** — Eastman Dillon, Union Securities & Co., N. Y. C. (mgr.).

United Scientific Laboratories, Inc. (9/25)
Aug. 18, 1961 filed 360,000 common shares. **Price**—$2. **Business**—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. **Proceeds**—For repayment of debt, increase in sales personnel, tooling and production and working capital. **Office**—35-15 37th Ave., Long Island City, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

United States Crown Corp.
Aug. 22, 1961 filed 150,000 common. **Price**—$8. **Business**—The manufacture of specialized bottle caps. **Proceeds**—For equipment, working capital and general corporate purposes. **Office**—437 Boulevard, East Paterson, N. J. **Underwriter**—Adams & Peck, N. Y. (mgr.). **Offering**—Expected in November.

U. S. Dielectric Inc.
July 24, 1961 ("Reg. A") 99,990 common shares (par 10 cents). **Price**—$3. **Business**—The manufacture and distribution of epoxy resins for potting uses. **Proceeds**—For repayment of loans, research and development, moving expenses and working capital. **Office** — 140 Adams St., Leominster, Mass. **Underwriter** — Richard Bruce & Co., Inc., New York.

• U. S. Markets, Inc.
July 31, 1961 filed 200,000 common shares, of which 160,000 shares are to be offered by the company and 40,000 shares by a stockholder. **Price**—$5. **Business**—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—60 Fallon Street, Oakland, Calif. **Underwriter**—Stanley Heller & Co., N. Y. **Offering**—Expected mid-October.

United States Plastics, Inc.
Sept. 7, 1961 filed 190,000 common, of which 150,000 will be sold by the company and 40,000 by a stockholder. **Price**—$3. **Business**—The sale of plastic items, power tools, adhesives, hardware, etc. **Proceeds**—To repay debt. **Office**—750 W. 18th St., Hialeah, Fla. **Underwriter**—Roman & Johnson, Fort Lauderdale (mgr.).

United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. **Price**—$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in early November.

• Universal Moulded Fiber Glass Corp. (9/27)
June 18, 1961 filed 275,000 outstanding common shares to be sold by stockholders. **Price**—$10. **Business**—The manufacture of fiber glass reinforced plastic. **Proceeds**—For the selling stockholders. **Address**—Commonwealth Ave., Bristol, Va. **Underwriter**—A. G. Edwards & Sons, St. Louis (managing).

• Universal Publishing & Distributing Corp. (10/2-6)
June 28, 1961 filed 50,000 6% cumulative preferred shares (par $10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. **Price**—$15 per unit. **Business**—The publishing of magazines and paper bound books. **Proceeds**—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. **Office**—117 E. 31st St., N. Y. **Underwriter**—Allen & Co., N. Y.

★ Universal Rectifier Corp.
Sept. 5, 1961 ("Reg. A") 80,000 common. **Price** — $3. **Business**—The development of high performance silicon rectifiers. **Office** — 2055 Pontius, Los Angeles. **Underwriter**—Kerns, Bennett & Co., Inc., N. Y.

• Universal Surgical Supply Inc. (9/25-29)
Aug. 1, 1961 filed 200,000 common shares, of which 100,000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. **Business** — The sale of medicine, surgical and laboratory equipment manufactured by others. **Proceeds**—For the repayment of debt. **Office** — 9107 Wilshire Blvd., Beverly Hills, Calif. **Underwriter** — Dempsey-Tegeler & Co., Inc., St. Louis.

★ Valley Forge Products, Inc.
Sept. 15, 1961 filed 100,000 class A capital shares. **Price**—By amendment. **Business** — The manufacture of replacement ignition and other electrical components for automobiles. **Proceeds**—For working capital, new products and other corporate purposes. **Office**—370 19th St., Brooklyn, N. Y. **Underwriter** — Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

★ Valley Iron & Metal Co., Inc.
Aug. 28, 1961 ("Reg. A") 60,000 common. **Price** — $4. **Business**—The buying, processing and selling of waste metals, papers, rags, etc. **Office**—11166 Pendleton St., Sun Valley, Calif. **Underwriter**—Gregory-Massari, Inc., Beverly Hills, Calif.

Valley Title & Trust Co. (9/25)
June 13, 1961 filed 120,000 common shares. **Price**—$5. **Business**—The writing and selling of title insurance and the acting as trustee and escrow agent. **Proceeds**—For working capital, reserves and other corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter** — Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J.

Val-U Homes Corp. of Delaware
Aug. 28, 1961 filed 100,000 common. **Price**—$5. **Business**—The manufacture of prefabricated buildings and shell homes. **Proceeds**—For working capital. **Office**—765 River St., Paterson, N.J. **Underwriter**—Stearns & Co., N.Y.C. (mgr.). **Offering**—In early November.

• Valve Corp. of America (9/27)
July 26, 1961 filed 160,000 common shares, of which 75,000 shares are to be offered by the company and 70,000 shares by stockholders. **Price**—$7. **Business**—The manufacture of valves and accessories for aerosol containers. **Proceeds**—For repayment of debt and working capital. **Office**—1720 Fairfield Ave., Bridgeport, Conn. **Underwirter**—Lomasney, Loving & Co., N. Y. (mgr.)

★ Van-Pak, Inc.
Sept. 15, 1961 filed 140,000 common. **Price**—$15. **Business**—A nation-wide and overseas non-regulated freight forwarder engaged in the forwarding of household goods. **Proceeds**—To repay debt, purchase metal containers, and increase working capital. **Office** — 542 Insurance Exchange Bldg., Des Moines, Iowa. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

• Varitron Corp.
July 25, 1961 filed 100,000 shares of common stock. **Price**—$2. **Business** — The manufacture of electronic items, principally TV and radio parts. **Proceeds**—For equipment, financing of merchandise, imports and accounts receivable and working capital. **Office** — 397 Seventh Ave., Brooklyn, N. Y. **Underwriter**—Kenneth Kass, N. Y. **Offering**—Expected late October.

Vending International, Inc.
July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). **Price**—$4.24. **Proceeds** — For repayment of debt, expansion and a new building. **Office**—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. **Underwriter**—H. P. Black & Co., Inc., Wash., D. C.

Vendotronics Corp.
Sept. 1, 1961 ("Reg. A") 150,000 common. **Price**—$2. **Business**—The manufacture of automatic popcorn vending machines. **Proceeds**—For repayment of loans, advertising, inventory, working capital and general corporate purposes. **Office**—572 Merrick Rd., Lynbrook, N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y.

• Vic Tanny Enterprises, Inc. (10/2-6)
May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 120,000 shares will be offered for the account of the company and 200,000 shares by the present holder thereof. **Price**—To be supplied by amendment. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., New York City. **Underwriter**—S. D. Fuller & Co., N. Y. C.

Vol-Air, Inc.
July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). **Price**—$2.50. **Business**—The manufacture of a patented heat and mass transfer system. **Proceeds**—For equipment, filing of patents, inventory, advertising and promotion. **Address**—347 Madison Avenue, New York. **Underwriter**—Glass & Ross, Inc., N. Y.

Voron Electronics Corp. (9/25-29)
July 28, 1961 filed 100,000 class A shares. **Price** — $3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office** — 1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters** — John Joshua & Co., Inc., and Reuben Rose & Co., New York.

• Wainrite Stores, Inc. (9/26)
June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The operation of discount merchandising centers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—691 E. Jericho Turnpike, Huntington Station; N. Y. **Underwriter**—Omega Securities Corp., New York.

Wald Research, Inc.
July 26, 1961 filed 65,000 common shares. **Price** — $5. **Business** — The manufacture of ground support equipment for the aircraft, misisle and related industries. **Proceeds**—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. **Office**—79 Franklin Turnpike, Mahwah, N. J. **Underwriters** — Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Walter Sign Corp.
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Business** — The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

★ Wards Co., Inc.
Sept. 15, 1961 filed 110,000 common. **Price**—By amendment. **Business**—The retail sale of radios, TV sets, refrigerators, stoves, air conditioners, etc. **Proceeds**—For working capital and other corporate purposes. **Office**—2049 West Broad St., Richmond, Va. **Underwriter**—Stein Bros. & Boyce, Baltimore.

Warshow (H.) & Sons, Inc.
Aug. 30, 1961 filed 285,000 class A. **Price**—By amendment. **Business**—The manufacture of fabrics for women's wear. **Proceeds**—For the selling stockholders. **Office**—45 W. 36th St., N. Y. **Underwriters**—Lee Higginson Corp. and P. W. Brooks & Co., Inc., N. Y. (mgrs.).

• Water Industries Capital Corp. (9/25-29)
July 21, 1961 filed 750,000 common. **Price**—$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—122 E. 42nd St., N. Y. **Underwriter**—Hornblower & Weeks, N. Y. (mgr.).

Waterman Steamship Corp.
Aug. 29, 1961 filed 1,743,000 common. **Price**—By amendment. **Business** — The carrying of liner-type cargoes. **Proceeds**—For the purchase of vessels, and working capital. **Office**—71 Saint Joseph St., Mobile, Ala. **Underwriter**—Shields & Co. Inc., N. Y. (mgr.).

Watson Electronics & Engineering Co., Inc.
July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). **Price** — $4. **Proceeds**—For manufacturing, laboratory and office facilities, equipment and working capital. **Office**—2603 S. Oxford St., Arlington, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Weissberg (H. R.) Corp.
Aug. 28, 1961 filed 250,000 class A common. **Price**—By amendment. **Business**—The operation of hotels, and general real estate. **Proceeds**—For repayment of loans, acquisition and general corporate purposes. **Office**—680 Fifth Ave., N. Y. **Underwriter**—Troster, Singer & Co., N. Y. C. (mgr.).

West Coast Bowling Corp.
May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. **Price**—$9.75 per share. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (managing).

Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. **Price**—$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office** — 1201 Continental Bank Bldg., Salt Lake City, Utah. **Underwriter**—Elmer K. Aagaard, 6 Salt Lake Stock Exchange Bldg., Salt Lake City.

Western Union Telegraph Co.
July 12, 1961 filed 1,075,791 common shares being offered for subscription by stockholders on the basis of one new share for each six shares held of record Sept. 8, 1961, with rights to expire Sept. 25. **Price** — $40. **Proceeds** — For repayment of loans and expansion. **Office**—60 Hudson St., New York. **Underwriters**—Kuhn, Loeb & Co. and Lehman Brothers, N. Y. (mgr.)

• Wilco Commercial Corp.
July 21, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—$3. **Business**—The financing of business institutions. **Proceeds**—For working capital. **Office**—350 Fifth Avenue, New York. **Underwriter**—A. J. Gabriel Co., Inc., N. Y. **Offering**—Imminent.

Windsor Texprint, Inc.
Aug. 25, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by stockholders. **Price**—$2. **Business**—The printing of towels and other textile products. **Proceeds**—For repayment of loans. **Office**—2357 S. Michigan Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. C.

★ Wisconsin Natural Gas Co. (10/18)
Sept. 20, 1961 filed $4,000,000 of first mortgage bonds due 1986. **Proceeds**—For expansion, and the repayment of bank loans. **Office**—100 Third Ave., Racine, Wis. **Underwriters** — (Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co.; Kidder, Peabody & Co.-White, Weld & Co. (jointly). **Bids**—Expected Oct. 18.

Wonderbowl, Inc. (10/23)
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. **Price**—At par ($2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

Wood Manufacturing Co., Inc.
July 24, 1961 ("Reg. A") 250,000 common shares (par $1). **Price**—$1.15. **Proceeds**—Foor working capital, repayment of loans, purchase of equipment, advertising and building construction. **Office** — 1035 Chestnut St., Conway, Ark. **Underwriter**—J. P. Penn & Co., Minn.

• Woodard Research Corp. (9/25-29)
June 23, 1961 ("Reg. A") 40,000 common. **Price**—$4. **Proceeds**—For constructing and equipping a laboratory, and for working capital. **Office**—34 Station St., Herndon, Va. **Underwriter**—First Investment Planning Co., Washington, D. C.

World Scope Publishers, Inc.
July 31, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The publishing of encyclopedias and other reference books. **Proceeds**—For repayment of debt, working capital and general corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc. (10/10)
July 20, 1961 filed 130,000 common shares. **Price**—$4. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, expansion and working capital. **Office**—2044 Chestnut Street, Philadelphia. **Underwriter**—Fraser & Co., Philadelphia. **Offering**—In early Oct.

★ World Wide Fund Ltd.
Sept. 19, 1961 filed 100,000 common. **Price**—$100. **Business**—The Fund plans to invest primarily in equity securities of foreign issuers. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter** — Burnham & Co., N. Y.

★ Yankee Plastics, Inc.
Sept. 8, 1961 ("Reg. A") 100,000 common. **Price** — $3. **Business**—The manufacture of plastic hangers and forms. **Proceeds**—For the acquisition of manufacturing facil-

Continued on page 58

Continued from page 57

ities, repayment of debt and working capital. **Office**—29 W. 34th St., N. Y. **Underwriter**—Sunshine Securities Inc., Rego Park, N. Y.

● Zep Aero (10/2-6)
July 28, 1961 filed 50,000 common shares, of which 30,000 shares are to be offered by the company and 20,000 shares by a stockholder. **Price**—By amendment. **Business**—The manufacture of oxygen systems and accessories for aircraft. **Proceeds** — For inventory, plant improvement, equipment and working capital. **Office**—113 Sheldon St., El Segundo, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

● Zion Foods Corp.
July 20, 1961 filed 110,000 common shares, of which 90,000 shares are to be offered by the company and 20,000 shares by a selling stockholder. **Price**—$5. **Business**—The processing of meat and poultry. **Proceeds**—For inventory and plant expansion. **Office**—482 Austin Place, Bronx, N. Y. **Underwriter**—Finkle & Co., N. Y. (mgr.) **Offering**—Imminent.

Prospective Offerings

Aluma-Rail, Inc.
Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$3. **Business** — The manufacture of new color anodized aluminum chain link fencing. **Proceeds**—For inventory and plant expansion. **Office**—44 Passaic Ave., Kearny, N. J. **Underwriter**—Omega Securities Corp., N. Y.

Appalachian Power Co.
Feb. 1, 1961 it was reported that this subsidiary of American Electric Power Co., Inc., plans to sell $35,000,000 to $40,000,000 of bonds late in 1961 or early in 1962. **Office**—2 Broadway, New York City. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co., Inc.; Kuhn, Loeb & Co. and Eastman Dillon, Union Securities & Co. (jointly).

Arizona Public Service Co.
Sept. 11, 1961 it was reported that this company plans to sell about $35,000,000 of first mortgage bonds in November. **Office**—501 So. Third Ave., Phoenix, Ariz. **Underwriters**—To be named. The last sale of bonds on March 26, 1959 was handled privately through Blyth & Co., and First Boston Corp. However, the company stated that there is a possibility that these bonds will be sold at competitive bidding, in which case the following are expected to bid on them: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; First Boston Corp.; Blyth & Co.; White, Weld & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc.

Baltimore Gas & Electric Co.
Aug. 30, 1961 it was reported that this company plans to issue about $25,000,000 of first mortgage bonds in the first half of 1962. **Office** — Lexington and Liberty Streets, Baltimore 3, Md. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co., and First Boston Corp. (jointly); Harriman Ripley & Co., Inc., and Alex. Brown & Sons (jointly).

Bay State Electronics Corp.
Aug. 2, 1961 it was reported that this company plans to file a registration shortly covering about 270,000 common shares to raise some $2,500,000. **Business**—Research, development and production of items in the fields of medical electronics, etc. **Proceeds** — For expansion and working capital. **Office**—43 Leon St., Boston, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing).

Best Plastic Corp.
July 25, 1961 it was reported that this company plans a full filing shortly covering 125,000 common. **Price**—$3. **Business** — The manufacture of plastic party favors for children. **Proceeds**—For expansion. **Office**—945 39th St., Brooklyn, N. Y. **Underwriter**—S. B. Cantor Co., N. Y. C.

★ Bush Terminal Co.
Sept. 15, 1961 it was reported that registration will be filed shortly covering about 90,000 common to be offeerd to stockholders through subscription rights on the basis of one new for each 10 held. **Business**—The operation of warehouses, manufacturing buildings, piers and railroad facilities. **Office**—100 Broad St., N. Y. **Underwriter**—The company said it may make the offering without an underwriter.

Carbonic Equipment Corp.
June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. **Price $3. Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter** — R. F. Dowd & Co., Inc.

★ Carolina Power & Light Co.
Sept. 19, 1961 it was reported that this company plans to sell about $30,000,000 of bonds in early 1962. **Office**—336 Fayetteville St., Raleigh, N. C. **Underwriters**—(Competitive), Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Lehman Brothers and Blyth & Co. Inc. (jointly); Kuhn, Loeb & Co.-Equitable Securities Corp. (jointly); W. C. Langley & Co. and First Boston Corp. (jointly).

Central Louisiana Electric Co., Inc.
Feb. 21, 1961 it was reported that the company is considering the issuance of $6,000,000 of bonds or debentures in the latter part of 1961. **Office** — 415 Main St., Pineville, La. **Underwriters**—To be named. The last issue of bonds on April 21, 1959 was bid on by Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc. (jointly); Salomon Bros. & Hutzler, and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.

★ Chicago, Burlington & Quincy RR. (10/31)
Sept. 19, 1961 it was reported that this company plans to sell $2,700,000 of equipment trust certificates in October. **Offices**—5747 W. Jackson Blvd., Chicago and 39 B'way, N. Y. **Underwriters** — (Competitive). Probable bidders. Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Oct. 31.

Cincinnati Gas & Electric Co.
Feb. 16, 1961 it was stated in the company's 1960 annual report that this utility plans to sell both first mortgage bonds and common stock in 1962 to finance its $45,000,000 construction program. **Office**—Fourtin & Main Sts., Cincinnati, O. **Underwriter**—(Bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc. and Lehman Brothers (jointly); Morgan Stanley & Co. and W. E. Hutton & Co. (jointly); Blyth & Co., Inc., and First Boston Corp. (jointly); Eastman Dillon, Union Securities & Co., and White, Weld & Co. (jointly). The last issue of common stock (81,510 shares) was sold privately to employees in August 1960.

Columbia Gas System, Inc.
April 24, 1961 it was reported that this company is considering the sale of either $20,000,000 of debentures, or $25,000,000 of common stock in the fall. **Office**—120 East 41st Street, New York 17, N. Y. **Underwriters**—To be determined by competitive bidding. Probable bidders on the debentures: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc., and White, Weld & Co. (jointly). The last sale of common stock on May 4, 1960 was handled by a group headed by Merrill Lynch, Pierce, Fenner & Smith Inc.; Shields & Co.; R. W. Pressprich & Co., and Carl M. Loeb, Rhoades & Co.

Columbus & Southern Ohio Electric Co.
March 13, 1961 it was reported the company will sell about $10,000,000 additional common stock in late 1961. **Proceeds**—For expansion purposes. **Office**—215 N. Front St., Columbus 15, Ohio. **Underwriter**—Dillon, Read & Co.

● Commonwealth Edison Co.
July 12, 1961 it was reported that the company plans to spend $720,000,000 on construction in the five-year period 1961-65 and that the program would require $150,000,000 of outside financing. Present plans call for $40,000,000 of debt financing in the first quarter of 1962. **Office** — 72 West Adams St., Chicago 90, Ill. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Glore, Forgan & Co.

Consolidated Edison Co. of New York, Inc. (11/21)
Aug. 28, 1961 it was reported that this company plans to sell about $50,000,000 of first mortgage bonds due Nov. 1, 1991. **Office**—4 Irving Pl., N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Nov. 21, 1961 at 11 a.m. (EST). **Information Meeting**—Nov. 15 (10 a.m. EST) at the company's office.

Contact Lens Guild, Inc.
June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. **Business**—The manufacture of contact lenses. **Office**—353 East Main St., Rochester, N.Y. **Underwriter**—To be named. **Offering**—Expected in Dec.

★ Dallas Power & Light Co. (11/15)
Sept. 19, 1961 it was reported that this company plans to sell $10,000,000 of preferred stock in November. **Office**—1506 Commerce St., Dallas, Tex. **Underwriters**—(Competitive). Probable bidders: White, Weld & Co.-Equitable Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.; Lehman Brothers; Blyth & Co., Inc.; Harriman Ripley & Co., Inc.-Kidder, Peabody & Co. (jointly); First Boston Corp. **Bids**—Expected Nov. 15 at 11 a.m. (EST). **Information Meeting**—Nov. 13 (11 a.m. EST) at 2 Rector St., N. Y. (Room 240).

Delaware Power & Light Co.
Feb. 7, 1961 it was reported that the company has postponed until early 1962 its plan to issue additional common stock. The offering would be made to common stockholders first on the basis of one share for each 10 shares held. Based on the number of shares outstanding on Sept. 30, 1960, the sale would involve about 418,536 shares valued at about $14,600,000. **Proceeds**—For construction. **Office**—600 Market St., Wilmington, Del. **Underwriter**—(Competitive) Probable bidders: Carl M. Loeb, Rhoades & Co., N. Y.; W. C. Langley & Co., and Union Securities Co. (jointly); Lehman Brothers; First Boston Corp.; White, Weld & Co., and Shields & Co. (jointly); Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly).

★ Delta Air Lines, Inc.
Sept. 19, 1961 it was reported that this company plans to file a registration shortly covering an undisclosed number of common shares. **Office**—Atlanta Airport, Atlanta, Ga. **Underwriter**—Courts & Co., Atlanta.

Diversified Vending, Inc.
Sept. 13, 1961 it was reported that a registration statement will be filed shortly covering 100,000 common. **Price**—$4. **Business**—The servicing of vending machines and coin operated kiddy-rides. **Proceeds**—For equipment, inventory and general corporate purposes. **Office**—Philadelphia, Pa. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

★ Electro Spectrum Corp.
Sept. 14, 1961 it was reported that this company plans to file a "Reg. A" covering 100,000 common. **Price**—$3. **Business**—Research, development, manufacture and marketing in the fields of optics, electronics, chemistry and photography. **Proceeds** — For organizational expenses, building lease, machinery, inventory and working capital. **Office**—300 Gramatan Ave., Mt. Vernon, N. Y. **Underwriter**—Harry Ravno (same address).

● Florida Power & Light Co.
Sept. 18, 1961, it was reported that the company may issue $25,000,000 of bonds in the second half of 1962. **Office**—25 S. E. 2nd Ave., Miami, Fla. **Underwriter**—To be determined by competitive bidding. Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co. (jointly); Halsey, Stuart & Co., Inc.; White, Weld & Co.; First Boston Corp.; Blyth & Co., Inc.

Gabriel Co.
April 27, 1961, the company announced plans to form a new subsidiary, Rocket Power, Inc., by merging the present Rocket Power, Talco and Bohanan divisions. In the fall of 1961, stock of the new subsidiary would be offered through subscription rights to Gabriel stockholders and debenture holders with about 20% of the offering going to the public. **Office** — 1148 Euclid Avenue, Cleveland, Ohio. **Underwriters**—To be named. The last financing by the company in September, 1959, was handled by Carl M Loeb, Rhoades & Co., New York City and Prescott, Shepard & Co., Inc., Cleveland.

General Public Utilities Corp.
March 14, 1961 it was stated in the company's 1960 annual report that the utility expects to sell additional common stock to stockholders in 1962 through subscription rights on the basis of one share for each 20 shares held. Based on the 22,838,454 common shares outstanding on Dec. 31, 1960, the offering will involve a minimum of 1,141,922 additional shares. **Office**—67 Broad St., New York 4, N. Y. **Underwriter**—None.

General Telephone Co. of California
Feb. 1, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp. plans to sell about $20,000,000 of bonds in December 1961. **Office** — 2020 Santa Monica Blvd., Santa Monica, Calif. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp. and Equitable Securities Corp. (jointly); White, Weld & Co. and Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis, and Stone & Webster Securities Corp.

General Telephone Co. of Florida
Aug. 15, 1961 it was reported that this subsidiary of General Telephone & Electronics Corp., expects to offer about $15,000,000 of bonds in January 1962. **Office**—610 Morgan St., Tampa, Fla. **Underwriters**—Stone & Webster Securities Corp., and Paine, Webber, Jackson & Curtis, both of New York City.

Georgia Bonded Fibers, Inc.
Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and N. Y. C.

Houston Lighting & Power Co.
Oct. 17, 1960 Mr. T. H. Wharton, President, stated that between $25-$35 million dollars is expected to be raised publicly sometime in 1961, probably in the form of preferred and debt securities, with the precise timing depending on market conditions. **Office**—Electric Building, Houston, Texas. **Underwriter**—Previous financing was handled by Lehman Brothers, Eastman Dillon, Union Securities & Co. and Salomon Brothers & Hutzler.

● Idaho Power Co. (11/1)
Sept. 19, 1961 the company stated that it plans to offer $10,000,000 in 30-year first mortgage bonds also 200,000 common. **Office**—1220 Idaho St., Boise, Idaho. **Underwriters**—(Competitive). Probable bidders (bonds): Halsey, Stuart & Co. Inc.; Blyth & Co., Inc.; Lazard Freres & Co.,-First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.,-White, Weld & Co. (jointly); Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp. Probable bidders (common): Blyth & Co., Inc.; Lazard Freres & Co.; Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc. **Bids**—Expected Nov. 1.

Illinois Terminal RR.
Jan. 16, 1961 it was reported that this company plans the sale later this year of about $8,500,000 of first mortgage bonds. **Office**—710 North Twelfth Blvd., St. Louis, Mo. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

John's Bargain Stores Corp.
July 27, 1961 it was reported that this company plans to file a registration statement covering an undisclosed number of common shares. **Business**—The operation of a chain of discount stores selling household goods. **Office**—1200 Zerega Ave., Bronx, N. Y. **Underwriter**—To be named. **Offering**—Expected in early 1962.

Laclede Gas Co.
Nov. 15, 1960 Mr. L. A. Horton, Treasurer, reported that the utility will need to raise $33,000,000 externally for its 1961-65 construction program, but the current feeling is that it will not be necessary to turn to long-term securities until May 1962. **Office** — 1017 Olive St., St. Louis, Mo.

Mainco Electronics & Marine Development Corp.
July 17, 1961 it was reported that a "Reg. A" will be filed shortly covering $300,000 of common stock. **Proceeds**—For general corporate purposes. **Address**—Booth

Bay Harbor, Maine. **Underwriter**—Nance-Keith Corp., New York City.

Masters Inc.
Jan. 6, 1961 it was reported that this corporation is contemplating its first public financing. **Business**—The operation of a chain of discount houses. **Office**—135-21 38th Avenue, Flushing 54, L. I., N. Y.

Metropolitan Edison Co.
Feb. 1, 1961 it was reported that this subsidiary of General Public Utilities Corp., plans to sell about $10,000,000 of first mortgage bonds and $5,000,000 of debentures this Fall. **Office**—2800 Pottsville Pike, Muhlenberg Township, Berks County, Pa. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co.; Kidder, Peabody & Co. and Drexel & Co. (jointly); Blyth & Co., Inc.

Metropolitan Food Co.
April 12, 1961 it was reported that this company plans to sell 150,000 common shares. **Price** — $4 per share. **Business** — Food distribution. **Proceeds** — For working capital. **Office** — 45-10 Second Ave., Brooklyn, N. Y. **Underwriters**—Brand, Grumet & Siegel, and Kesselman & Co., Inc., New York City (managing).

Monterey Gas Transmission Co.
April 24, 1961 it was reported that Humble Oil & Refining Co., a subsidiary of Standard Oil Co. of New Jersey, and Lehman Brothers, had formed this new company to transport natural gas from southwest Texas to Alexandria, La., for sale to United Fuel Gas Co., principal supplier to other Columbia Gas System companies. It is expected that the pipeline will be financed in part by public sale of bonds. **Underwriter** — Lehman Brothers, New York City (managing).

Mutual Photocolor Laboratories, Inc.
Aug. 22, 1961 it was reported that this company plans to sell about $750,000 of common stock. **Business**—The development of pictures and the sale of photographic equipment and supplies. **Proceeds**—For expansion. **Office**—29-14 Northern Blvd., Long Island City, N. Y. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

New England Power Co. (10/25)
Jan. 20, 1961 it was reported that this subsidiary of New England Electric System plans to sell $20,000,000 of first mortgage bonds. **Office**—441 Stuart St., Boston 16, Mass. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp., and Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co., and White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—To be received on Oct. 25, 1961 at 11 a.m. (EDST).

New World Laboratories, Inc.
Aug. 22, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—$3. **Business**—The manufacture of cosmetics. **Proceeds**—For purchase of equipment and inventory and general corporate purposes. **Office**—Washington, D. C. **Underwriter** T. Michael McDarby & Co., Inc., Washington, D. C.

• Niagara Mohawk Power Co. (10/24)
Sept. 13, 1961 it was reported that this company plans to sell $40,000,000 of general mortgage bonds and 700,000 common shares in late October. **Offices**—300 Erie Blvd., West, Syracuse, N. Y., and 270 Park Ave., N. Y. C. **Underwriters**—(Competitive). Probable bidders: (Bonds) First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co., Inc. (Common) Merrill Lynch, Pierce, Fenner & Smith, Inc.-Kidder, Peabody & Co.-White, Weld & Co. (jointly). Morgan, Stanley & Co.-First Boston Corp. (jointly). **Bids**—Expected Oct. 24. **Information meeting**—Oct. 20 (11 a.m. EDST) in Room 232, 120 Broadway, N. Y.

• Northern Natural Gas Co.
Sept. 18, 1961 it was reported that this company plans to sell about $25,000,000 of common stock to stockholders through subscription rights in the second quarter of 1962. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—Blyth & Co., Inc., N. Y. (mgr.).

Pacific Lighting Corp.
Jan. 3, 1961 it was reported by Paul A. Miller, Treasurer that the company will probably go to the market for $20,000,000 to $40,000,000 of new financing in 1961 and that it probably would not be a common stock offering. **Office**—600 California St., San Francisco 8, Calif.

• Pacific Northwest Bell Telephone Co. (11/15)
Aug. 25, 1961 in a registration statement filed with the SEC covering 17,459,490 common to be offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent, it was announced that Pacific Northwest plans to sell an additional 12,990,510 by June 30, 1964, and several issues of debentures to refund a $200,000,000 4½% demand note issued to Pacific Tel. & Tel. The first of such issues, in the amount of $50,000,000, is expected to be sold in Nov. **Office**—1200 Third Ave., Seattle, Wash. **Underwriters**—For the stock, none. For the debentures, to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp. **Bids**—Expected Nov. 15. **Information meeting**—Nov. 9 (2:30 p.m. EST) in Room 1900, 195 Broadway, N. Y.

Pan American World Airways, Inc.
May 8, 1961 it was reported that the CAB ordered this company to sell its 400,000 share holdings of National Airlines, Inc. The stock was originally obtained under a Sept. 9, 1958 agreement under which the two carriers agreed to a share-for-share exchange of 400,000 shares and the lease of each other's jet planes during their respective busiest seasons. The CAB later disapproved this plan and ordered the airlines to divest themselves of the stock. **Office**—135 East 42nd St., New York City **Underwriter**—Merrill Lynch, Pierce, Fenner & Smith, Inc. (managing).

Panhandle Eastern Pipe Line Co.
March 8, 1961 it was reported that this company expects to sell about $72,000,000 of debentures in the late Fall, subject to FPC approval of its construction program. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder Peabody & Co., both of New York City (managing).

Penn Amusement Corp.
Aug. 22, 1961 it was reported that this company plans to file a "Reg. A" shortly covering 100,000 common shares. **Price**—$3. **Business**—The company furnishes mobile (truck) amusement rides for children. **Proceeds**—To operate a new type truck and set up national distributorships. **Office**—Brooklyn, N. Y. **Underwriter**—J. Laurence & Co., New York City.

Public Service Electric & Gas Co. (10/17)
Aug. 15, 1961 it was reported that this company plans to sell $50,000,000 of debentures due Oct. 1, 1981 in October. **Office**—80 Park Place, Newark 1, N. J. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co., Blyth & Co. Inc., Goldman, Sachs & Co., and Harriman Ripley & Co., Inc. (jointly). **Bids**—Expected on or about Oct. 17 at 11 a.m. (EDST). **Information Meeting**—Oct. 11 (11 a.m. EDST) at Chase Manhattan Bank, (34th floor) One Chase Plaza, N. Y.

Radar Design Corp.
Aug. 22, 1961 it was reported that this company plans to sell about 15,000 common shares in the fiscal year ending June 30, 1962. **Business**—The company's products are used both as test instruments and as components in production of microwave systems. **Proceeds**—For working capital. **Office**—Pickard Drive, Syracuse, N. Y. **Underwriter**—The last public offering of stock in Dec. 31, 1960 was not underwritten.

Rochester Gas & Electric Corp. (11/14)
Aug. 15, 1961 the company stated it plans to issue about $15,000,000 of 30-year bonds in November. **Proceeds**—For construction. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Brothers & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc., The First Boston Corp. **Bids**—Expected Nov. 14 at 11 a.m. (EST).

San Diego Gas & Electric Co.
Sept. 12, 1961 it was reported that this company plans to sell about 500,000 common to stockholders in mid-1962 to raise some $17,500,000. **Office**—861 Sixth Ave., San Diego, Calif. **Underwriter**—Blyth & Co., Inc., N. Y.

Servonuclear Corp.
Aug 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$2. **Business**—The manufacture of medical electronic equipment. **Proceeds**—For expansion. **Office**—28-21 Astoria Boulevard, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Shenk Industries, Inc.
Aug 22, 1961 it was reported that this company plans to sell about $750,000 of common stock. **Business**—The re-manufacture and distribution of automobile parts. **Proceeds**—For the repayment of loans and expansion **Office**—Columbus, O. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Silo Discount Centers
Sept. 6, 1961 it was reported that company plans to sell about $1,000,000 of common stock. **Business**—The operation of a chain of hard goods, discount department stores **Office** — Philadelphia, Pa. **Underwriter** — Rodetsky, Kleinzahler, Walker & Co., Jersey City.

Sonic Systems, Inc.
Sept. 13, 1961 it was reported that a "Reg. A" will be filed shortly covering 65,000 common. **Price**—$2. **Business**—The manufacture of ultra-sonic cleaning equipment, systems and transducers. **Proceeds**—For expansion and working capital. **Office**—1250 Shames Dr., Westbury, N. Y. **Underwriter**—Keene & Co., Inc., N. Y.

Southern California Edison Co.
May 23, 1961 it was reported that this company will need an additional $35,000,000 to finance its 1961 construction program. No decision has yet been made as to whether the funds will be raised by bank loans, or the sale of preferred stock or bonds. **Office**—601 West Fifth St., Los Angeles, Calif. **Underwriter**—To be named. The last sale of preferred stock on May 12, 1948 was handled on a negotiated basis by First Boston Corp., New York City and associates. The last sale of bonds in April 1961 was bid on by Blyth & Co.; First Boston Corp., Dean Witter & Co. (jointly); Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co., Equitable Securities Corp. (jointly).

Southern Natural Gas Co.
Oct. 28, 1960 it was reported by Mr. Loren Fitch, company comptroller, that the utility is contemplating the sale of $35,000,000 of 20-year first mortgage bonds sometime in 1961, with the precise timing depending on market conditions. **Proceeds** — To retire bank loans. **Office**—Watts Building, Birmingham, Ala. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co. and Kidder, Peabody & Co. (jointly). **Offering**—Expected in October.

★ Southern Railway Co. (10/10)
Sept. 19, 1961 it was reported that this company plans to sell $4,600,000 of equipment trust certificates in October. **Office**—70 Pine St., N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Oct. 10 at 12 noon.

Dividend Advertising Notices Appear on Page 16.

★ Southern Railway Co. (11/14)
Sept. 19, 1961 it was reported that this company plans to sell $4,000,000 of equipment trust certificates in November. **Office**—70 Pine St., N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Nov. 14.

Southwestern Public Service Co.
July 19, 1961, Herbert L. Nichols, Chairman, stated that the company plans to issue about $13,000,000 of common stock in March 1962. The shares will be offered for subscription by common stockholders on the basis of one new share for each 20 shares held. **Proceeds**—For construction. **Office**—720 Mercantile Dallas Bldg., Dallas 1, Texas. **Underwriter**—To be named. The last rights offering to stockholders in January 1957 was underwritten by Dillon, Read & Co., New York City.

Subway Bowling & Recreation Enterprises, Inc.
Aug. 22, 1961 it was reported that this company plans to sell about $1,200,000 of common stock. **Business**—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. **Proceeds**—To build the first three centers. **Office**—New York City. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City.

Teeco Automated Systems, Inc.
Aug. 9, 1961 it was reported that a ("Reg. A") will be filed shortly covering 100,000 common shares. **Price**—$3. **Business**—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry. **Proceeds** — For expansion. **Office** — 42-14 Greenpoint Avenue, Long Island City, N. Y. **Underwriter**—Omega Securities Corp., New York.

Trunkline Gas Co.
March 8, 1961 it was reported that this subsidiary of Panhandle Eastern Pipe Line Co., expects to sell about $32,000,000 of bonds and $10,000,000 of preferred stock this Fall. **Office** — 120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc. and Kidder, Peabody & Co., both of New York City (managing).

Valtronic Corp.
Sept. 6, 1961 it was reported that a "Reg. A" will be filed shortly covering 62,500 common shares. **Price**—$4. **Business**—The design, engineering and manufacture of medical and dental equipment. **Proceeds**—For expansion. **Office**—375 Walton Ave., Bronx, N. Y. **Underwriters**—Cacchione & Smith, Inc., and Fred F. Sessler & Co., N. Y.

Vector Engineering Inc.
Aug. 9, 1961 it was reported that a full registration will be filed shortly covering 100,000 common shares. **Price**—$6. **Business** — Engineering and design services, the development of electromechanical and electronic devices for industry and the Federal Government, and the preparation of technical publications. **Proceeds**—For expansion. **Office**—155 Washington Street, Newark, N. J. **Underwriter**—Omega Securities Corp., New York.

Virginia Electric & Power Co. (12/5)
March 23, 1961, the company announced plans to sell $15,000,000 of securities, possibly bonds or debentures. **Office** — Richmond 9, Va. **Underwriters** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Brothers & Hutzler; Goldman, Sachs & Co. **Bids**—To be received on Dec. 5, 1961.

West Coast Telephone Co.
April 11, 1961 it was stated in the 1960 annual report that the company plans to spend $12,000,000 for new construction in 1961, most of which is expected to be raised by the sale of securities. **Office**—1714 California Street, Everett, Wash. **Underwriter**—To be named. The last sale of bonds and preferred stock in May and July 1960 was done privately. The last sale of common on Sept. 16, 1960 was underwritten by Blyth & Co., Inc., New York City.

West Penn Power Co. (3/5)
Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about $25,000,000 of bonds in 1962. **Office** — 800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected March 5, 1962.

• Wisconsin Michigan Power Co. (11/14)
Sept. 12, 1961 it was reported that this company plans to sell $4,000,000 of first mortgage bonds in November. **Office**—231 W. Michigan Ave., Milwaukee. **Underwriters** — (Competitive). Probable bidders: Salomon Brothers & Hutzler, Halsey, Stuart & Co., Inc.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected Nov. 14.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C. — At this writing, indications are that Congress will adjourn by the end of the week, and would not reconvene until January, unless an extreme national emergency arises.

It has been a long, hard and sometimes bitter session. Scores of members of Congress, particularly in the House, went home days ago. Others have already gone overseas on "inspection" trips.

President Kennedy fared very well in his legislative requests. His proposals are going to cost a tremendous amount of money. The national deficit next year will be in the billions, probably near $10 billion.

Perhaps President Kennedy's biggest single defeat was his Federal-aid-to-education bill, which is a bad piece of legislation. There will likely be another battle waged over this proposal again next year.

Although Mr. Kennedy lost on this proposal and some others this year, he has a big plus sign on legislation providing for assistance for depressed areas, a multi-billion dollar omnibus housing, foreign aid, highway financing, Federal judgeships, raising the minimum wage, establishment of a "Peace Corps," raising the appropriations for the Department of Defense to an all-time high, other than wartime periods, among other things.

The President called for a crash program in the field of science and astronautics. The Chief Executive set a goal that obviously will be a difficult one to attain—to send a crew of astronauts to the moon and back. Congress provided the National Aeronautics and Space Administration all the funds that NASA can use for the current fiscal year.

Next year Congress will be called upon to provide probably up to $2 billion for the "Operation Moon" project. Guessing in Washington is that some $35 billion or more will be spent under NASA's supervision during the present decade.

Disarmament Agency

Probably the legislation does not mean very much, but in the closing days of the session the Senate passed and sent to the House, an Administration measure to create a U. S. Arms Control and Disarmament Agency for World Peace and Security. The agency's authority would be limited to participate in research and development studies to a series of areas including control, reduction and elimination of armed forces and armaments; detection of nuclear tests, control and elimination of armed forces and armaments in space or underwater regions.

The possibility of achieving disarmament seems hopeless. The legislation would authorize $10,000,000 for the agency to get started. Once an agency in the Federal Government gets started, it grows and grows and it becomes difficult to eliminate.

The President's recommendation for medical aid to the aged and the proposal to increase postal rates hit a barrier, but will be brought up again next year.

Legislation increasing the revolving fund of the Small Business Administration by $36.5 million to a new total of more than $1 billion was passed. It was estimated that this sum would keep the growing agency going until next spring.

Export Guarantees

A bill authorizing the Export-Import Bank to guarantee or insure exporters in the United States against political and commercial credit risks, was also ready during the week for a few changes before it was expected to go to the White House for the President's signature.

The measure, as passed by the House differed from the Senate bill this way, among other ways: The House bill limited liability under the act to $1 billion, while the Senate set no limit; the House measure deleted a Senate provision extending the life of the Export-Import bank for five years, through June 30, 1968.

The House bill, also unlike the Senate measure, would require the bank to charge fees commensurate with the insurance risks, limit the insurance and guarantee programs to U. S. exporters and foreign exporters doing business in the U. S., and the coverage to protection against political and commercial credit losses.

The du Pont Stock Divestiture Proposal

In the closing days of the session, the House Ways and Means Committee, where all tax legislation must originate, the stock divesture bill that would affect all du Pont stockholders directly, and General Motors' stockholders indirectly, was amended. The changes were made at the suggestion of the Department of Justice.

Under the amendments, the stock divestiture measure would be a temporary law and would apply only to the tax problems now faced by the du Pont stockholders. There was considerable doubt that the bill would become law this year. However, there is no doubt, it seems, that Congress will approve the proposal in the name of fairness to du Pont stockholders.

The Supreme Court of the United States in May held that the du Pont Company must divest itself of 63,000,000 shares of General Motors stock within 10 years. Under the existing decision, du Pont stockholders would have to pay a large tax. If a large number of du Pont stockholders decided to sell their General Motors stock, after the distribution of 63,000,000 shares, obviously the GM stock would be adversely affected. Many persons probably would have to sell the GM stock to pay the taxes, under present law.

Under present law, if a company decides to divest itself of stock by passing it on to the stockholders, the stockholders would be required to pay income tax on the distribution at the market price at the time.

By terms of the proposed legislation, du Pont stockholders would receive the General Motors stock as a "return of capital" rather than as a dividend. Therefore, a stockholder would pay no tax on the shares unless their value exceeded the amount that he had paid originally for his stock in the company which was forced to divest. If the value did exceed the original worth, the stockholder would pay a capital gains tax on the difference.

Tax Depletion Measure

Early in the week there was in conference between the House and Senate conferees, on a measure clarifying the tax treatment of certain clays and shale by providing that percentage depletion allowance prior to Jan. 1, 1961, would be based on 50% of the value of the finished product, rather than on the less favorable raw material base.

The bill was designed to correct a so-called "inequity." The Internal Revenue Service, on the basis of a June, 1960, Supreme Court decision, was attempting to collect taxes "retroactively." The high court decision (U. S. versus Cannelton Sewer Pipe Company) made raw material the base for depletion allowances on clay. Prior to the tribunal's ruling, lower courts had held percentage depletion on the finished product. As a result, Internal Revenue people had settled many cases on that basis.

In another important 11th hour action, Congress cleared for President Kennedy's signature, a bill providing $75,000,000 over a six-year period for the saline water conversion program.

Also the House passed and sent to the Senate a bill appropriating funds in fiscal 1962 for public works projects and for the Atomic Energy Commission.

The tremendous sum of $3,662,701,380 included about $2.4 billion earmarked for the Commission.

When the final figures are all added up, this Congress will have been the biggest spending lawmaking bodies of all time.

[*This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.*]

"He's had years of experience in corporation development."

Doft & Co. Formed

Doft & Co., Inc. has been formed with offices at 149 Broadway, New York City, to engage in a securities business.

COMING EVENTS

IN INVESTMENT FIELD

Sept. 20-21, 1961 (Omaha, Neb.) Nebraska Investment Bankers' Association annual field day.

Sept. 21-22 (Atlanta, Ga.) Georgia Security Dealers Association annual summer outing.

Sept. 27, 1961 (New York City) Association of Customers Brokers annual dinner at the Waldorf Astoria.

Sept. 29, 1961 (Philadelphia, Pa.) Bond Club of Philadelphia 36th annual field day at the Philmont Country Club, Philmont, Pa.

Oct. 3, 1961 (Detroit, Mich.) Bond Club of Detroit Annual Fall Outing at Lochmoor Country, Grosse Pointe Woods, Mich.

Oct. 4, 1961 (New York City) New York Group of Investment Bankers Association annual dinner and meeting at the Waldorf-Astoria Hotel.

Oct. 6, 1961 (Rockford, Ill.) Rockford Security Dealers Association annual fling-ding at the "New Key" Club, Wagon Wheel Lodge, Rockton, Ill.

Oct. 7, 1961 (New York City) Security Traders Association of New York annual dinner dance at Hotel Commodore.

Oct. 9-10, 1961 (Denver, Colo.) Association of Stock Exchange Firms, Fall meeting of Board of Governors at the Brown Palace Hotel.

Oct. 9-12, 1961 (Rochester, N. Y.) National Association of Bank Women Annual Convention at the Sheraton Hotel.

Oct. 10, 1961 (Toronto) Canadian Group of Investment Bankers Association meeting.

Oct. 13, 1961 (Montreal, Canada) Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.) Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.) American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.) National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Oct. 17, 1961 (Detroit, Mich.) Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania) Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee, Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul) Minnesota Group of Investment Bankers Association annual meeting.

Oct. 26, 1961 (Louisville, Ky.) Ohio Valley Group of Investment Bankers Association annual meeting.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City) National Association of Mutual Savings Banks 15th annual midyear meeting.

April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.) National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.

Sept. 23-26, 1962 (Atlantic City, N. J.) American Bankers Association annual convention.

April 27-May 1, 1963 (Boston, Mass.) National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

Green, Grdina Co. Formed

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio — Green, Grdina & Company has been formed with offices at 1940 East Sixth Street, to continue the investment business of John S Green & Co. Officers are Ray James Grdina, President; George A. Green, Vice-President; Michael F. Grdina, III, Secretary, and John J. Grdina, Treasurer.